Wheat Markets Analyzed

Will Canada's Dollar Cross Par?

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

CANADIAN MINING NEWS DEPARTMENT ON PAGE 14

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The Nation's Business

Taxpayers Lose If Wheat Unsold

Canada Should Support Roosevelt Stand

Government Wheat Should Be Sold

DARKNESS continues to surround the activities of the Federal Government in respect of wheat holdings reputed to run somewhere between 125,000,000 and 150,000,000 bushels. Rumors emanating from Winnipeg this week and given publicity in Conservative papers indicated that John I. McFarland as administrator of the federal holdings, was taking advantage of the appearance of speculators and was easing out his futures with every bulge in the market. Apparently though his sales have been insufficient to become apparent on the market. In other words there is as yet no attempt on any wide scale to "unload" even though the past few weeks have seen the market whirled up to new high peaks by speculation and crop scare news.

To condemn without knowledge would be unwise but the consensus of opinion among bankers, grain men and business executives canvassed by The Financial Post is that the original need for which the Government entered the market has now disappeared with the presence of speculators at Winnipeg and that the Government is laying itself open to severe criticism if an active sales policy at this time is not being prosecuted.

* * *

Sound Finance Key to U. S. Plan

A WORLD challenge of amazing clarity and courage came hurtling through the ether this week in the impassioned plea of Franklin D. Roosevelt to world statesmen assembled at London. In effect the United States leader bases his case on a belief that improvement of world business is not dependent on "a purely artificial and temporary experiment affecting the monetary exchange of a few nations only" but rather on the fundamental soundness of the internal structure of each individual nation.

His words are impressive:

> "The world will not long be lulled by the specious policy of achieving a temporary and probably an artificial stability in foreign exchange on the part of a few large countries only.
>
> "The sound internal economic system of a nation is a greater factor in its well-being than the price of its currency in changing terms of currencies of other nations.
>
> "It is for this reason that reduced costs of government, adequate government income, and ability to serve its government debts are all so important to ultimate stability."

* * *

TO READERS of this newspaper the final paragraph must have a familiar ring for the challenge of the New World statesman is simply that reliance on gold or an exchange fixing agreement is illusory while governmental budgets remain unbalanced. He places lower costs of government and sound national financing ahead of the "fetishes of so-called international bankers," in measuring factors leading toward permanent recovery.

It would seem that Canada and Britain have more in common with this programme than with attempts to stabilize exchange values regardless of internal price levels. It was along this latter route that Great Britain made her fatal mistake eight years ago when she returned to the old gold parity. The stabilization plan means in all probability that the recovery programme now under way would be halted with the possibility of further deflation and adjustment through bankruptcy and other evils such as have taken their toll in the past few years, if business then failed to revive permanently on the new basis. Roosevelt for one is apparently unwilling to risk his nation's future along that path.

* * *

SUCCESS along the Roosevelt path is predicated however upon at least two vital considerations. There is first the fundamental necessity for sound government financing as a basis for future

(Continued on page 2, col. 3)

Current Opinion

"The surroundings of the Parliament Buildings in Toronto present an outstanding example of the provincial outlook and lack of imagination of both our rulers and the public.

"In Continental Europe the visible expression of culture, refinement and good taste, is to be seen in the treatment of the public places of every city."—H. Dunnington-Grubb, president, Sheridan's Nurseries, Toronto.

DOM. TEXTILE SALES MAKE WIDE GAINS

First Quarter Increase Totals $3,500,000 Over 1932

PLANTS AT CAPACITY

Raw and Finished Inventories Up in Value—Gain for Investments — Profits Ahead

From Our Own Correspondent

MONTREAL.—Marked improvement has taken place in the position of Dominion Textile Co. as compared with a year ago. The dollar value of sales in the first quarter of 1933 amounted to approximately $6,000,000 compared with only $2,500,000 for the same period in 1932. Rising values account in a large measure for this improvement, on the other hand, yardage sales show an improvement for the first quarter of this year of better than 150 per cent over the returns for the same period last year. This increase in sales is reflected in plant operations which at present are close to 100 per cent of capacity.

While the increase in sales is regarded as highly satisfactory, the financial position of Dominion Textile Co. has also undergone a decided improvement. Raw cotton inventories have advanced in value by nearly $800,000. Work in process has been affected by rising commodity values to the extent of nearly 20 per cent, or $400,000. At the same time the better state of the stock markets has added approximately $800,000 to the market value of the company's investments.

Look For Increase

During all of last year Dominion Textile's sales amounted to only $11,463,646. The fact that the company was able to record sales of better than 50 per cent of this figure in the first quarter of 1933 promises well for the full year. Details of the second quarter's sales are not likely to be available for a while. Plant operations, however, would indicate that demand has been well maintained so that sales for the first half of 1933 are

(Continued on page 2, col. 3)

E.M.B. PASSES AFTER YEARS OF SUCCESS

Many Expressions of Regret as Marketing Board Disbands

By Staff Editor

LONDON.—The Empire Marketing Board is doomed to pass out of existence on Sept. 30 but its passing from the scene, after so many years of useful service to the cause of Empire trade, is not taking place without many expressions of keenest regret from those who best know its work. Numerous letters to the Times and a very forceful speech the other day to the Royal Empire Society by Sir Fabian Ware, one of those associated with its efforts, testify to the attempts that will be made to keep the E. M. B. alive.

The Empire Marketing Board was discussed at Ottawa last August but no final conclusion was arrived at concerning its fate. Its death warrant has been written out by a committee of experts from the different British nations, appointed as a result of that conference to consider the whole question of co-operation in research and trade promotion activities within the Empire.

Much Duplication

This committee, known by the cumbersome name of the Imperial Committee on Economic Consultation and Co-operation, 1933, was headed by Dr. O. D. Skelton, Canadian under-secretary of state for external affairs. It met in London and surveyed the accomplishments of all the various organizations engaged in Imperial work at the expense of the different governments and recently made a report which did not attract much attention at the time but which is now being delved into by those who are finding their favorite agencies of development in danger of being disturbed.

The committee found fifteen different organizations carrying on work of Imperial co-operation in the economic sphere, some of them duplicating in part the work of other organizations. They range from such full dress organizations as the Empire Marketing Board, the Imperial Economic Committee and the Imperial Shipping Committee to the somewhat moribund Imperial Institute and a number of highly technical bodies doing useful work in eight restricted fields linked with agriculture.

Division of Costs

Regarding most of them the committee recommended their continuance but it suggested that their activities be given some measure of co-ordination and that the cost of such co-ordination as well as the cost of those organizations that

(Continued on page 10)

Canada's Dollar Out of Control May Cross Par in U. S. Funds

British Split on Currency Question—Tone of Roosevelt's Cable on Stabilization Annoyed London—French Fear Inflationary Measures

By FLOYD S. CHALMERS
Editor, The Financial Post

LONDON.—Canada's delegation to the London Conference is worried over this week's sensational currency war. Canada is powerless to control her exchange rates. She must ride the whirlwind resulting from the conflict, but cannot direct the storm.

Most to be feared from the exchange fluctuations is the possibility of our dollar going to a premium in New York. This might deflate values in Canada, and could come if the American inflation programme were carried rapidly to much greater lengths.

Currency Battle Lines Defined

The net result of the sensational currency developments at London and on the exchanges is that the monetary battle lines are clearly defined. On one side of the field are ranged the gold standard nations who are prepared to accept further deflation of prices and costs as the price of adherence to a stable monetary standard. Against them are the managed currency countries, notably the United States, who consider reflation of prices the only preventive to national and international insolvency.

British Camp Divided

The British camp is divided. International bankers want a return to gold, but the majority of economists, industrialists and commercial bankers favor reflation to raise prices.

The official French attitude, of course, is strong for adherence to the gold standard. This view reflects the creditor psychology of Europe, where memories are vivid of post-war inflation in France, Germany and Italy, which worked havoc on the common people. The gold nations are determined to protect the investor classes. Both in Paris and London, however, I find a strong body of unofficial opinion in favor of French abandonment of gold.

Whatever happens at the London Conference itself, exchange uncertainty will prevail until all countries are off gold or until American prices are stabilized.

British Position Difficult

The British position is difficult. The conflict of opinion is between the international bankers on the one hand who want stabilization of gold, and are fighting against reflation of prices, hoping to evade ultimate devaluation of the pound. In this they are following the same policy which resulted in the mistaken return of sterling to parity in 1925.

These bankers fear the consequences of what they consider uncontrollable inflation on investment values in Great Britain. They are opposed by a more numerous group consisting of the majority of economists, industrialists and commercial bankers. Rt. Hon. Reginald McKenna will be remembered as among the latter by reason of his advocation of raising British internal prices, regardless of the pound, in this year's annual address to the shareholders of the Midland Bank.

Those of the British authorities who are for reflation frankly feel the French viewpoint is wrong and the American right. Two eminent British economists, for instance, told me that Great Britain has more in common with the American policy than with the French.

Government Favors Price Lifting

The Government favors a price lifting policy as Neville Chamberlain showed in his recent statement at the conference favoring easy money policies. The reason that there is concern in some British circles about the American inflation is the fear that Roosevelt cannot control it. The British fear competitive inflation and price-raising as likely to precipitate a world battle for low currencies with eventual financial chaos and unforseeable social and political consequences.

The British are anxious to avoid blame for abandonment of gold by France, if and when it comes, and the ensuing chaotic uncertainty. They would willingly override Montagu Norman, and other international bankers, and co-operate in price-raising with the United States, if they felt certain that the American inflationary movement is reasonably controllable. But they have decided from the latest Roosevelt message refusing to stabilize the United States dollar that the American president is uncertain of his own price objectives and how he will control the movement of rising prices.

American Note Hurts

Another blow to Anglo-American co-operation is the feeling on the part of many here that the long Rooseveltian cable informing the conference that the dollar must be allowed to drift, was contemptuous in tone. Britishers feel it gave great

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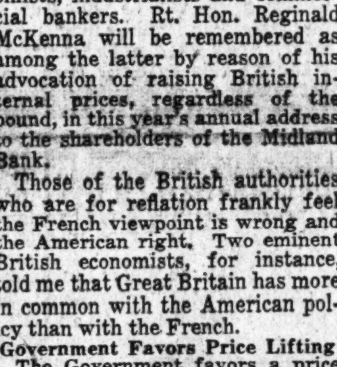
Stock Market



MARKET RECORD

20 Industrial Stocks	High	Low
Week of July 4	51.6	46.3
Week of June 27	48.2	42.5
Month of July, 1932	29.7	20.2
10 Public Utilities		
Week of July 4	55	52
Week of June 27	53	51
Month of July, 1932	46	37
8 Bank Stocks		
Week of July 4	183	177
Week of June 27	179	176
Month of July, 1932	167	146

WHEAT PRICE AT WINNIPEG 7 CENTS HIGH

But Export Market if Price Reduced is Doubtful

From Our Own Correspondent

Winnipeg.—Two questions are in the mind of every observer of the wheat market these days. One is to the extent to which the Dominion Government position in the wheat market is being liquidated. The other is the extent to which the Canadian market has been allowed to get out of line for export. To neither is it possible to give a definite answer.

If there has been liquidation of the Government position to any extent it has been managed in such a way that no knowledge of the fact has reached the public. To some extent the market is capable of keeping its secrets, and there is no doubt that some considerable volume of selling could have been done under cover without its source becoming apparent.

Government's Excuse

The excuse for the Government's entry into the market, beyond the extent necessary to dispose of the pool holdings of the 1930 crop for which Government responsibility was completely assumed something over two years ago, was that there was no volume of buying from traders or from speculators to supply support for the hedges against grain being sold by farmers, and that if some such support were not forthcoming, the market might sink to hitherto unplumbed depths. Admitting that to be true, and it is hardly susceptible of proof or disproof, it seems hardly possible that advantage should not be taken of a favorable opportunity to get out, and the Government position had undoubtedly grown to such an extent that it would take a large volume of public buying to enable it to get out. Consequently, it is argued the Government must have been selling extensively of late.

On the other hand, the market has not been acting as if wheat had been supplied to it to fill requirements as they developed. The speed and the extent of some of the advances seem incompatible with any theory except that Government holdings have been tightly held.

Winnipeg 7 Cents High

Not for several weeks has there been any considerable volume of export business transacted. True, when the sharp rise at the beginning of last week was followed by an equally sharp decline, some volume of export business came in for a day or two, only to be followed by a new cessation of transactions at the beginning of this week. Quotations in Winnipeg appeared to be from five to seven cents a bushel too high to permit such business to be done in any volume, but it is difficult to say that extensive business could have been done at lower levels. The extreme fluctuations which have taken place in dollar value have made it risky for merchants on either side of the Atlantic to make commitments, as any satisfactory hedge against future fluctuations when grain should be actually shipped have been almost impossible.

On the first day of the new delivery month some 9,000,000 bushels of wheat were delivered through the clearing house. There is a general idea that a large part of this was accepted by the Government agency, and if this is the case it will presumably keep on being redelivered until it finds a willing holder. But at the moment cash wheat is not in demand at the head of the lakes. for forwarding interests have no inclination to put additional quantities across the lakes until there is some indication that they can be absorbed in transatlantic shipments.

Paris Group Favors France Leaving Gold

Can't Voice Views for Fear of Political Repercussions

By Staff Editor

PARIS.—Well informed circles in Paris and in London advise me that a powerful French group favor complete abandonment of the gold standard, thus allowing all currencies to find natural levels.

They cannot come out openly for such a policy because suggestion of further devaluation of the franc would involve political repercussions. However, this group confidently expects France to be forced off gold when the situation becomes such that the Government can place the blame outside.

Supporters of Gold

I flew to the French capital this week to interview bankers and Government spokesmen on their views of currencies. They all agreed that they preferred further deflation of prices and costs to venturing into the uncharted seas of inflation. From their brief exploration of those unknown waters after the war, they learned an unpleasant lesson, which Frenchmen remember.

They told me they regarded the American inflation programme a menace to world economic security. But the ability of France to remain on gold is questioned. Leaving gold might change their views, but their present attitude on currencies makes agreement between themselves and the Americans impossible.

The Government may wish to take a passive attitude toward abandoning gold for political reasons. Frenchmen want the gold standard and a stable franc, having lost heavily in the post war devaluation of the unit. In 1928 the franc was stabilized at 3.92 cents, as against the pre-war parity of 19.3 cents. This process cost the French creditor class and investors dearly. It struck the peasant and rentier classes a blow which is too recent to be forgotten. The position of the Government has been sufficiently delicate without adding to its troubles.

The French have created a difficult position for themselves in clinging to gold. The position is much the same as that of Great Britain before she left gold. High franc exchange has lost France substantial tourist trade and much of its foreign business.

GEO. WESTON MAKES OFFER FOR U.S. FIRM

Offers Exchange of Common Shares on 1 for 2 Basis

Offer of one share of George Weston Ltd. common stock for two shares of stock of Weston Biscuit Co., Ltd., has been made to shareholders of the latter company which holds United States rights to the manufacture of Weston's biscuits. The American company has outstanding 50,000 shares of stock of no par value and a complete exchange will result in an increase of 25,000 shares of the outstanding common shares of George Weston Ltd. Recently the authorized capitalization of George Weston Ltd. was increased to 100,000 shares of common from the present amount of 50,000 shares and authority was given to re-issue 1,000 shares of $100 preferred stock, bringing the authorized amount of preferred stock back to $1,000,000.

With George Weston Ltd. common selling at around $47 per share on the Toronto stock exchange the value placed on shares of the United States company is $23.50. Fractional shares are being adjusted on a value of $25 per share. Of the 50,000 shares of the United States company outstanding some 23,000 shares are owned by George Weston Ltd., which also holds an option

(Continued on page 2, col. 4)

WPG. ELECTRIC RECEIVERSHIP DRAWS NEARER

Subsidiary's Guaranteed Bonds Defaulted July 2

DEFAULT OWN BONDS

Collateral Back of Refunding Issue is Impaired — Need of Reorganization Growing

From Our Own Correspondent

MONTREAL.—Receivership for Winnipeg Electric Co. is brought appreciably nearer by the failure of its subsidiary, Winnipeg, Selkirk and Lake Winnipeg Railway Co., to meet principal and interest due on its first mortgage bonds on July 2.

Back in 1903 this company issued $400,000 of first mortgage bonds for a similar amount of 5 per cent general mortgage and refunding bonds. Of this amount $350,000 was put up as collateral against Winnipeg Electric Co. refunding mortgage bonds. The balance of $50,000 remained in the hands of the public.

Still Another Guarantee

Both principal and interest on the Winnipeg, Selkirk and Lake Winnipeg bonds were guaranteed by the parent company. On maturity date the subsidiary was unable to meet its obligation and Winnipeg Electric failed to live up to its guarantee.

It is understood that the company was willing to meet its obligation in respect to the bonds in the hands of the public, but the trustee was adverse to accepting this proposal when the trust deed called for the redemption of the full $400,000 of bonds.

The failure to pay off the Winnipeg, Selkirk and Lake Winnipeg Co.'s bonds on their maturity date, reacts against Winnipeg Electric Co. in another way.

Default Own Bonds?

As $350,000 of these bonds are held by the trustee as collateral against Winnipeg Electric Co.'s refunding mortgage bonds, the latter bonds are in technical default, inasmuch as the Winnipeg Electric Co. has not, according to information received by The Financial Post, replaced these bonds with securities satisfactory to the trustee.

Winnipeg Electric Co. has outstanding three bond issues. The ranking issue is the 5 per cent first refunding mortgage bonds maturing in 1935. The second issue is a 5 per cent refunding mortgage stock to the amount of which £375,628 are pledged to bankers as security for notes and the balance £900,000 or $4,380,000 in the hands of the public. The third issue is part and parcel of the second issue, of which $7,000,000 are outstanding.

The second and third issues rank equally as far as security is concerned. In each case part of the collateral deposited is the first mortgage bonds of Winnipeg, Selkirk and Lake Winnipeg Railway first mortgage bonds which the issuing company has defaulted and on which the guarantor company has failed to live up to its obligation.

More Deeply Involved

As the situation now stands Winnipeg Electric Co., as guarantor of principal and interest, has failed to live up to its obligation in connection with Northwestern Power Co. and Winnipeg, Selkirk and Lake Winnipeg Railway Co., both subsidiaries, while the security back of its own refunding mortgage bonds and stock has been impaired.

No Plan Formulated

Northwestern Power Co. bondholders have formed a protective committee and while considerable investigation has been made into the company's affairs it is understood that the committee has not come to any arrangement with the parent company nor has a plan been formulated for submission to the bondholders. Only lately the latter met and gave authority to the committee to apply for a receiving order in bankruptcy against Winnipeg Electric in order to expedite matters.

In connection with this latter move, it is worth while noting that the Public Utility Board of Manitoba, in the closing days of the last Manitoba legislature was given

(Continued on page 2, col. 5)

C. N. R. Trustee Selections Await Bennett's Return

From Our Own Correspondent

MONTREAL — Appointment of the Board of Trustees for the Canadian National Railways, it is understood by The Financial Post, will not take place until after the return of Premier Bennett from the London Conference. It has already been announced that the present board will continue in authority temporarily.

Considerable speculation continues as the personnel of the new Board. J. E. Labelle, already a director of the Canadian National Railways, appears assured of the appointment as the French-Canadian trustee. No decision has been reached as to the English-speaking representative. T. A. Russell, of Toronto, the last to be mentioned for the position as trustee, is understood not to be interested owing to personal reasons.

The chairmanship is said to be still a vexing question. Many names have been mentioned, including Sir Thomas White, Rt. Hon. Arthur Meighen, Sir Henry Drayton, James T. Cumming, John D. Palmer, John C. Newman, F. K. Morrow and others. The selection is stated to have been narrowed down to two names by the Cabinet, but no decision has been reached as to the final selection.

Highlights of the Week

Events and Topics That Make News for Post Readers

Canada's Dollar

No one can say at what level the dollar will eventually land. Possibility of break from U. S. A. dollars as latter declines rapidly. The Financial Post editor cables from London and Paris the latest news on the gigantic currency struggle which is going on. Page 1. Also full page of what's happening in London and how it affects Canada. Page 8.

Wheat Too High

Winnipeg correspondent thinks wheat is between 5 and 7 cents too high. Government position discussed. Page 1. Present price ruled by currency fluctuations. Page 10.

Buying Power

Survey of Dominion based on tax returns this year shows a big decline in most districts. Eastern Canada fares best, while Regina district is the bright spot of the West. Page 7.

Bank Deposits Rise

Greater liquidity of the position of the banks is shown in the May statement, demand deposits making the greatest gain since November, 1931, without an increase in loans. Page 11.

Oil Personality

Imperial Oil's new president, G. Harrison Smith, pictured as "dynamo of energy and master of all situations." Intimate sidelights on his career in business and public life. Page 3.

IMPERIAL OIL'S RETIRING PLANS ARE DISCUSSED

J. P. Bickell Advises Conservation of Splendid Human Material

Retirement of experienced executives at a specified age can be regarded as a waste of splendid human material, in the opinion of J. P. Bickell, as expressed at the annual meeting of Imperial Oil at Sarnia on June 30. The occasion for these remarks was the new ruling to speed employment adopted by Imperial Oil under which all employees from the highest to the lowest hereafter will retire on pension at 62 years. The earliest conspicuous marks hit by this rule were C. O. Stillman, retiring president, and Alex. M. McQueen, internationally known vice-president in charge of exploration and development of oil fields. Highly competent executives are taking their place but, nevertheless, Mr. Bickell hoped that measures would be taken to retain in some way the ripe experience and wisdom of these men for the benefit of the company.

Yardstick of Years

In the course of his remarks, Mr. Bickell expressed a general objection to mandatory age limits for service. He said that he had never been able to measure the human element in any business by the yardstick of years. It had always appeared to him that the most valuable thing which a competent executive had to draw on for successful administration was the cumulative experience of years.

Mr. Bickell said he would have been inclined to protest even more strongly against such a rule in any other organization than Imperial Oil. In the case of Imperial Oil, the knowledge he had of the careful and mature consideration given through the years in arriving at policies which had been almost uniformly successful under varying conditions, made him wary lest he should be too dogmatic.

Half Century of Service

Mr. McQueen's exceptional geological knowledge of Western Canada and South America had been applied very successfully in no uncertain way to the great advantage of the company through the many years he had been associated with it. Mr. Stillman had had fifty-two years of experience in the oil industry. Mr. Bickell doubted very much whether anyone could ever duplicate that feat again under the new rule. The corporation had reached a pinnacle of influence under his régime.

Mr. Bickell trusted that both the retiring executives would realize the oft-expressed opinion of actuaries that men retiring on a pension never die. He concluded with a prediction that under the new president, whose ability none could ever doubt, the corporation would expand and prosper as it had done in the past. No better esprit de corps exists among the employees of any Canadian company and that he considered a great tribute to the present and retiring executives.

Began, Finished in Sarnia

For many years the annual meeting of Imperial Oil has been held in Toronto as a matter of convenience for shareholders who wish to attend. This year, however, it was the desire of many citizens of Sarnia and employees of the great refinery which began its existence through the efforts of Mr. Stillman, that the annual meeting should be

(Continued on page 3)

TWO GROUPS MAKING BIDS FOR PRICE CO.

McConnell, Aluminum Co. Want Valuable Quebec Property

MEET THIS WEEK

Proposals Will be Put Before Committee for Decision—New Capital is Underwritten

From Our Own Correspondent

MONTREAL.—Two and possibly more plans for the reorganization of Price Bros. and Co. will be submitted to the Bondholders' Protective Committee this week. No immediate decision is expected as to the most favored plan, though it is believed that a definite announcement may be forthcoming before the end of the month.

The scheme regarded as likely to receive most consideration is that sponsored by J. W. McConnell, of Montreal. This is the one worked on by R. O. Sweezey and in which a syndicate of about 25 prominent men in Quebec, Montreal and Toronto are interested. The identity of the members has been kept a close secret, though it is known that in addition to McConnell and Sweezey, Harry Oakes, of Lake Shore Gold Mines, is financially interested.

Sponsor Second Plan

A second plan is that sponsored by the Duke-Price Power Co., backed by Andrew Mellon and the Aluminum Co. interests. Lord Beaverbrook — the Canadian-born English peer—is reported at one time to have been interested in this group but is currently said to have dropped out of the picture.

Beaverbrook is an important consideration in any plan of reorganization. His paper—the Daily Express—is the largest purchaser of Price Bros.' newsprint. Further the existing contract expires at the end of this year.

In place of Lord Beaverbrook, another English peer—Lord Rothermere is said to be linked up with the Duke-Price power interests. Rothermere heads important English newspapers, has a financial interest in Anglo-Canadian Pulp and Paper mills and is an important buyer of newsprint.

Still Another Mentioned

A French-Canadian group is also reported to be interested in acquiring control of Price Bros. and Co.'s property. To date there has been no concrete evidence of the existence of this group. The fact that several outstanding French-Canadians are in the McConnell syndicate is believed to be cause for mentioning a third group.

McConnell Plan Proposals

Details as to the terms of the offers to be made to the Bondholders' Protective Committee are not being made available until after presentation. As for the McConnell plan, The Financial Post understands that one of the principal

(Continued on page 2, col. 4)

Just Think of It!

A Little Boy Only Nine years old was sentenced to two and a half years for stealing. Since then he has cost the taxpayers of Canada thousands, for he has been sent down for various short terms and finally to Kingston for ten years, which he is now serving, for wounding while resisting arrest for theft.

The Attorney-General of Ontario objected to these facts coming out, but Judge McLean, trying recent penitentiary rioters, insisted that Colonel Keiller MacKay, crown prosecutor, should not suppress them.

Years ago another little boy of the same age took a gold signet ring. He soon tired of it because he could not exchange it for candy. He sold it to an older boy for a penny, which he immediately spent on sugar sticks. When found out he was not sentenced. Just warned and told he would be severely punished if he took things that did not belong to him. That boy is today one of Canada's most respected national figures.

Many Canadians could tell much the same stories from their own useful lives.

REMEDY? It is up to the Minister of Justice, Hon. Hugh Guthrie, and Ontario's Attorney-General, Colonel Price, already under criticism for alleged leniency to criminals with influential political backings.

Experiences show that much crime can be prevented by early influences — religious, school and home—and wise administration of justice.

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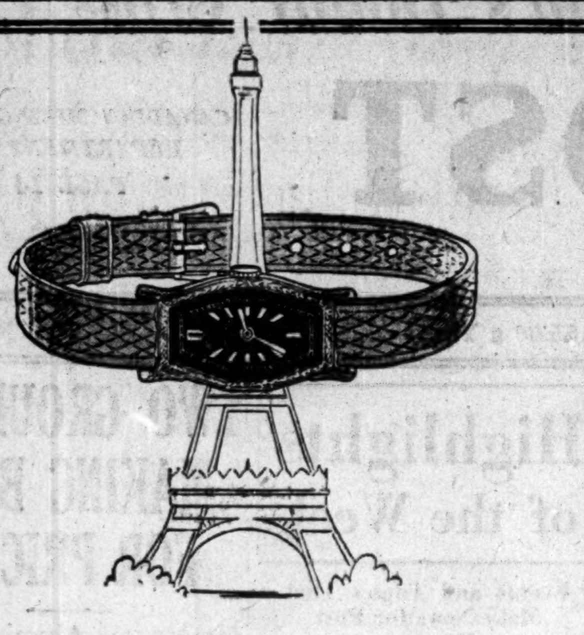

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City of Quebec Offers $2,221,400 5% Debentures

City of Quebec bonds five per cent, serial amounting to $2,221,400, due July 1, 1928, are being offered by a syndicate headed by Wood, Gundy & Co. Ltd. at par.

The issue is being made after the city turned down tenders which were submitted by various dealers. The tenders called for two issues of short and long term 4½ per cent debentures, but the bids submitted are believed to have been unsatisfactory to Quebec as to price and on other grounds.

The purpose of the issue is to fund expenditures for public works, relief and for refunding.

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Of Canadian Companies

The Financial Post Corporation Service company analyses will give you complete and detailed information on the companies in which you are interested.

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The Nation's Business

(Continued from page 1)

prosperity, and secondly there is the need of some assurance that a reflation programme can be controlled.

No policy has been more consistently and vehemently pursued by The Financial Post in its 26 years of existence than its insistence that sound financial policy by governmental authorities was a primary requisite for national prosperity. It has been a source of continued amazement to this paper that governments in Canada have time and again failed to realize this fundamental fact and have continued to strike their balances in the vain hope that Time would prove a fairy godmother and obviate the day of monetary reckoning. It is a policy that eventually leads nations to bankruptcy as surely as it does an individual business and the warning given by President Roosevelt can well be taken to heart by citizens and public officials in this Dominion. His words will bear repetition:

> "The sound internal economic system of a nation is a greater factor in its well-being than the price of its currency in changing terms of currencies of other nations."

* * *

THE other consideration is the need by those who would follow the Roosevelt plan, of some evidence of ability to control a business recovery programme such as is now under way in the U. S. A. The steps which have been taken by the United States president to break the back of the depression are so revolutionary and the precedents of previous attempts along this line have been so disheartening that it will take men of high courage and firm convictions to carry the issue to a successful conclusion.

If Roosevelt can produce for the world in general and the nations of the sterling bloc in particular, sufficient evidence of ability to control a business recovery programme along the line he advocates he deserves world support in his endeavor.

But it ill behooves a nation, not prepared to adopt sound financial policies, to swear fealty to his cause.

New Directors Internat. Pete Hopkins, Wilcox

R. V. LeSueur, recently elected a vice-president of Imperial Oil, has been appointed vice-president of International Petroleum, of which he is a director. C. S. Wilcox and Dr. O. B. Hopkins were also elected to the board. These changes were made necessary by reason of the retirement of C. O. Stillman and Alex. M. McQueen from the board under the retirement rule now obtaining in International Petroleum as well as Imperial Oil.

Dr. Hopkins is chief geologist of Imperial Oil and International Petroleum. He is a very eminent geologist and his work under Alex. McQueen in organizing and superintending the geological work in Canada and South America in the search for oil is recognized by geologists everywhere as outstanding. He has been an important contributor to scientific journals.

C. S. Wilcox was born in the Republic of Colombia, S.A., where his father was a mining engineer, was educated in England, and entered the oil business in the State of California. He joined the Tropical Oil Co. in Colombia in 1918 and in 1920 when International Petroleum obtained the Tropical Oil interests he came to Toronto where the company's head office is.

DOM. TEXTILE SALES MAKE WIDE GAINS

(Continued from page 1)

likely to be on a basis comparing with those for all of 1932.

Increasing sales will be reflected in a larger operating income. Plants of Dominion Textile Co. are generally conceded to be highly efficient, so that with a larger volume of business costs should be kept down and even reduced, making for an increase in operating profits.

Net earnings from operations last year amounted to only $367,216. This was the lowest operating profit shown by the company in several years past and compared with $1,071,254 in the preceding year. Returns for the first six months of the current year can be expected to be appreciably ahead of those for the same period of 1932. Provided that the company does not receive any setbacks in the next six months, income from operations over the whole year should be substantially ahead of those in 1932.

Inventory Values Up

The increase in raw cotton and processed inventories values will go a long way toward strengthening an already strong working capital position. At the close of 1932 current assets exceeded current liabilities by $6,614,013. This was a lower figure than had prevailed at the end of the past several years.

With commodity values continuing on the upward grade, it is likely that by the end of the year the company will have experienced an appreciable increase in the dollar value of raw and finished supplies, which on December 31 last totalled nearly $3,000,000.

Investments Benefit

The improvement in security values means a great deal to Dominion Textiles Co., whose investments, less reserves, are shown on the books at $3,665,970. No details have ever been published as to the type of security in the company's investment portfolio, but they are generally understood to be high grade, marketable securities.

At the same time the position of the company should be favorably affected by an improvement in the operations of Dominion Textile's subsidiary and associated companies such as Montreal Cottons, Drummondville Co., and Sherbrooke Cotton Co.

NOTICE

Debentures for Sale

The Board of Trustees of Separate School Section No. 4 in the Township of Calvert and District of Cochrane has for sale debentures in the sum of eight thousand dollars ($8,000.00) being a part of an issue authorized on the 25th day of March, A.D. 1926, which issue was guaranteed as to both interest and principal by the Provincial Government of the Province of Ontario.

These debentures bear interest at the rate of five per centum per annum and were issued on the Sinking Fund basis for thirty years.

The highest or any offer not necessarily accepted.

Offers will be considered if received on or before July 20th, 1933.

Address all communications to—

Rev. Father Alex. Pelletier
Sec.-Treas. S. S. S. No. 4
Calvert,
Iroquois Falls, Ont.

GEO. WESTON MAKES OFFER FOR U. S. FIRM

(Continued from page 1)

on sufficient additional shares to vote more than 50 per cent of the stock. It is reported that between 65 and 70 per cent of shares of the American company have been deposited for exchange.

Earnings Are Better

While no earnings statement or balance sheet of Weston Biscuit Co. has been made public, it is understood that earnings in 1932 approximated $1 per share and it is understood that the company shows an improved earnings position in the current year. No dividends have ever been paid and the stock is not listed. Shares were issued to shareholders in the original company, formed in 1928 and reorganized in 1931. Shares were also issued to George Weston Ltd. for United States rights and for cash to the reputed amount of $200,000. Purchasers of the preferred stock of the original company are getting a return of approximately 70 per cent of their investment through the offer that is now being made.

Officials of the company are noncommittal regarding earnings of the parent company, George Weston Ltd., but indicate that earnings to date are not far off the rate of earnings shown in 1932 when $1.09 was earned on the common shares.

TWO GROUPS MAKING BIDS FOR PRICE CO.

(Continued from page 1)

features will be the consideration given to the preferred shareholders, who up to now have been regarded as having little hope of securing consideration in any plan of reorganization.

Bondholders to Co-operate

Concessions will be asked of the bondholders under the McConnell plan, in the way of deferment of interest and sinking fund payments. Under present conditions it is out of the question for the newsprint companies to meet interest or other charges on bonded debt until such time as operations are on a more liberal scale. It is presumed, therefore, that Price bondholders will be asked to relieve the company of these obligations until such time as the new interests are able to put operations and earnings on a better basis. Some considerations will be given in lieu of cash interest payments.

Raise New Money

Arrangements will be made under this plan to take care of bank loans, which amount to slightly less than $4,000,000. The McConnell syndicate also will arrange, through the raising of new capital and otherwise, to provide the enterprise with sufficient working capital to carry on for some time without the necessity of further borrowings from the banks.

Take Care of Preferred

It is further understood that the McConnell scheme calls for the extension of certain privileges to the holders of the present preferred stock. This will be on terms said to be favorable in view of prevailing circumstances.

One of the features of the McConnell scheme is that approximately $3,000,000 of new capital will be put into the enterprise. The syndicate members are understood to have underwritten the full amount.

Duke-Price Plan

Not as much is known of the Duke-Price proposal. The power company is interested in the future control of Price Bros.' enterprise, inasmuch as it constitutes an important outlet for power. Upon the formation of the Duke-Price Power Co., Price Bros. and Co. made a contract with the latter for 100,000 h.p., part of which was to be secondary power.

Upon putting Price Bros. and Co. into liquidation, it is understood that this contract became null and void. Inasmuch as the power contract meant a revenue of some $800,000 a year in American funds to the Duke-Price Power Co., it is apparent that the retention of Price Bros. and Co. as a customer is important to the power company. Some element of doubt exists as to the freedom of Price Bros. from liability in connection with this contract, even though in liquidation, but a legal ruling is expected shortly.

Under present operations Price Bros. and Co. is not taking any power from Duke-Price. The Riverbend mill, which was run on energy transmitted from the Isle Maligne plant, has been closed down and operations concentrated at Kenogami. The latter plant, as well as sawmill operations, are supplied with power from Price Bros.' own power plants.

In order to restore the power contract and, at the same time secure the properties of Price Bros. which include several valuable power sites, the Duke-Price people are said to be submitting a plan of reorganization this week to the committee.

As mentioned no definite information is available as to the likely terms of the Duke-Price offer. One report has it that Duke-Price will offer Price Bros. and Co. bondholders $25 in cash, $25 in Duke-Price bonds, and the balance in capital stock of a new company, for each $100 bond. It is even said that the offer may be as high as $25 in cash and $50 in Duke-Price bonds.

DIVIDEND NOTICES

BUYWELL
FOOD MARKETS LIMITED
Preferred Dividend Notice

NOTICE is hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the Seven Per Cent. (7%) Preferred Stock of the Company for the quarter ending June 17th, 1933, payable July 15th, 1933, to shareholders on record at the close of business on July 10th, 1933.

By order of the Board,
W. A. STANFORD,
Secretary.
Montreal, July 4th, 1933.

Cigar Users Come Into Own New Data Shows

From Our Own Correspondent

MONTREAL.—Better times have brought in their wake a more liberal spending policy on the part of tobacco users, as shown in the returns of the Dominion Bureau of Statistics on tobacco products entered for consumption. The number of cigars consumed in May, 1933, totalled 9,857,264, more than double that reported in January and about 50 per cent greater than the number consumed in the preceding month.

Demand for other tobacco products has recorded substantial improvement.

Use More Cigarettes

Cigarettes entered for consumption during the month totalled 360,805,660. This is the largest monthly total recorded since November last, when tobacco products were released for the Christmas trade, and compares with 312,790,432 for May, 1932.

Cut tobacco released by the Excise Department for consumption amounted to 1,490,955 lbs. in May. This is the second highest total for the current year and is about 65,000 lbs. more than for May, 1932.

WPG. ELECTRIC RECEIVERSHIP DRAWS NEARER

(Continued from page 1)

authority to prevent or stay action against any utility until legislative action upon any plan submitted by the board is approved. This power, however, does not extend to bankruptcy proceedings.

May Stimulate Action

It is not known at this point what action will be taken in respect to the Winnipeg, Selkirk bonds. The second mortgage bond holders of Winnipeg Electric have formed a committee for their own protection and have been consulting with Northwestern Power bondholders' committee. It is possible that the former committee will take more decisive action as a result of the impairment of the collateral back of their own security.

Those close in touch with the company's affairs are not overly optimistic on the situation. Earnings have declined and attempts to secure relief from the terms of Winnipeg Electric's tramway franchise have been unavailing. An increase in fares has been secured but this has not made any marked change in the situation.

Need for Reorganization

Now the company is faced with its obligations in respect to its own and subsidiary companies bonds. A reorganization of the company with a view to eliminating contingent and actual liabilities in connection with the subsidiaries and a cutting down of funded debt charges is thought to be the only way out of the present muddle. Further the company had outstanding at the end of last year $1,250,000 of secured notes payable to bankers and $50,000 of unsecured notes payable. Under present circumstances it is impossible for the company to carry out any financing in order to clear up these debts. Under a reorganization plan suitable arrangements could be made in order to take care of current obligations, and at the same time provide the company with adequate working capital.

TORONTO CITY SELLS NEW BONDS ON 4.7% BASIS

Harbour Bonds Issue Sold on 4.82% Cost Basis

City of Toronto has sold $3,886,000 of 4½ per cent serial debentures at 98.08, a cost basis to the city of about 4.7 per cent. Also $1,000,000 of Toronto Harbor Commission 20-year, 4½ per cent bonds have been sold at 95.937, a cost basis of 4.82 per cent. The Harbor bonds bear the city's guarantee.

The successful syndicate in the bidding for the city bonds is comprised of Dominion Securities Corp., Royal Securities Corp. and the Canadian Bank of Commerce. The Harbor bonds were awarded to a syndicate of Wood, Gundy & Co. Ltd., A. E. Ames & Co. Ltd., the Royal Bank of Canada and the Dominion Bank.

Complete list of bids on both issues is as follows:

Bids for City of Toronto Serial Bonds and Harbor Commission Debentures

Syndicate:	City Bonds	Harbor Bonds
Dom. Secs., Royal Secs., Can. Bank of Com.	98.08	95.62
Wood, Gundy & Co., A. E. Ames & Co., Royal Bank, Dom. Bank	97.637	95.937
Fry, Mills, Spence & Co., Bk. of Montreal, etc.	98.057	95.78
Dyment, Anderson & Co., Bk. of N. S., Bk. of Toronto etc.	97.717	95.37

The prices received by the city for both issues are much better than that obtained in 1932, but not as good as in 1931. Last year $15,299,000 of the city's serial debentures were offered to the public to yield 5.70 and 5.75 per cent. In 1931 Toronto borrowed $4,836,000 at a cost of 4.579 per cent, the lowest rate since 1913, and the bonds were publicly offered to yield 4½ per cent. Another 1931 issue was offered to yield below 4½ per cent.

CANADA'S DOLLAR OUT OF CONTROL MAY CROSS PAR

(Continued from page 1)

offense, and may seriously disturb the accord between the two nations.

Recent jumpy dollar-sterling exchange movements are regarded here as simply trying to equate the different price levels of Great Britain and the United States, speculation, a flight of capital from the dollar, plus general uncertainty of the immediate future value of any currency. These factors have exaggerated movements, but financiers here are hopeful that exchanges will shortly find natural levels equating the different price levels.

Stabilization Impractical

Economists now fear that stabilization of the dollar-sterling exchange rate and others is impractical until prices, particularly those of the United States, reach some stability. This corresponds strikingly with the views of the American fiscal expert, O. M. W. Sprague. The British economists hope that British prices will be pulled up by the American inflationary movement. They feel that Britain might stimulate this by early open market purchases of securities and initiation of large public works. Their thesis is that the former would increase the supply of credit and the latter would stimulate the demand, thus aiding the rise in prices. Such a programme would tend to lower the value of the pound in relation to the dollar.

The American dollar is now considered definitely undervalued. The pound is overvalued. As a result of the recent rise in sterling at the expense of the dollar, there is now widespread criticism in Great Britain of the sterling equalization fund which is powerless in the circumstances. It is likely to involve the Government in huge losses. Even when sterling was well below $4 the fund was credited with purchases of dollars, which is the equivalent of sales of sterling. The loss at present exchange quotations must be enormous.

Canadians Worried

The Canadian delegation to the conference is greatly worried at the developments since the conference started. They realize that Canada cannot control exchange rates, and must be content to ride the storm of gyrating currencies without being able to direct it. The Canadians are chiefly interested in getting higher prices. The American experiment in price-raising, if sanely controlled, promises us more than maintenance of the gold standard by the few countries now remaining on it.

Other Dominions of the Empire have also impressed the British with sympathy for the American programme. General Jan Christian Smuts, of South Africa, pleading on behalf of the Dominions, gained attention of British authorities. He asked Britain not to enter any exchange control agreement which would embarrass the Dominions in their relations with the United States and lose them competitive exchange advantage, at the same time throwing primary exporters off an export basis. In this view he might have been speaking directly for Canada. The speech referred, of course, to the French proposal that Britain stabilize sterling in terms of the currencies of the gold standard nations, which would be almost equivalent to a return to gold by Britain.

Looks to U. K. and U. S. A.

Canada must hope for ultimate agreement between Great Britain and the United States on a joint monetary programme permitting our dollar to find a normal level between sterling and the American dollar. A position about half way between the two major currencies has appeared to be the natural level of the Canadian dollar in the last two years. In any Anglo-American stabilization scheme Canada would agree to maintain its currency between the two leaders and to restrict fluctuations within a narrow range.

The most to be feared at present is the possibility that our dollar may go to a premium in the United States, thus tending to deflate prices and costs in Canada, relatively to American levels. There is an earnest desire to establish the Canadian dollar on a parity with the American unit eventually because of our extensive financial and commercial relations with the United States. To some extent our ability to do this will depend upon our success in working out a trade treaty with the Americans. If such a treaty falls through Canada would devalue its currency to an approximate parity with sterling even if it means defaulting on a large scale on public and private debt in the United States.

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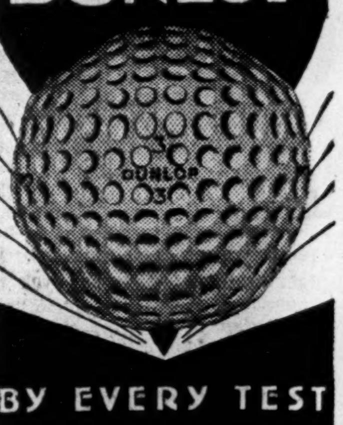

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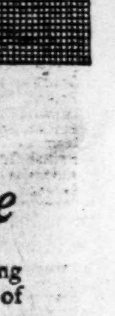

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The London Office of The Dominion Bank at No. 3 King William St., E.C.4, is situated at the financial centre of the city. A London-trained staff and foreign connections of high standing facilitate transactions in Exchange on all foreign Countries.

Canadians in London are invited to make our London Office their financial headquarters. Our Letters of Credit, and Travellers' Cheques are honored by leading banks, transportation companies and hotels everywhere.

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This advertisement appears as a matter of record only and is under no circumstances to be construed as an offering of these shares or warrants, or as the solicitation of an offer to buy any of such shares or warrants. The offering is made only by the prospectus.

International Mining Corporation
63,506 Shares
COMMON STOCK
(With Stock Purchase Warrants)

The Corporation desires to record the offering of the above shares with stock purchase warrants by means of a prospectus, copies of which may be obtained from International Mining Corporation, 29 Broadway, New York, N.Y., or from its agents,

Lehman Brothers
1 William Street, New York, N.Y.

10,000 of said shares (with stock purchase warrants) have been reserved for offering in Canada through

Greenshields & Co
507 Place d'Armes, Montreal, Canada

Stockholders of the Corporation are being given a proper opportunity to purchase these shares with warrants pro rata to their respective holdings.

The Corporation will make application to list its shares and to obtain unlisted trading privileges for the warrants on the New York Curb Exchange and for equivalent privileges on the Montreal Curb Exchange and the Standard Stock and Mining Exchange, Toronto.

No dealer, salesman or any other person is authorized by International Mining Corporation or by Lehman Brothers or by Greenshields & Co as its agent in connection with the offering to give any information or to make any representations other than those contained in the prospectus, and no person is entitled to rely upon any information or representation not contained therein.

BANK OF ENGLAND GOLD RESERVE UP, METAL POURING IN

U. S. A., Germany and South Africa Are Chief Contributors

SENDS TO FRANCE

Russia Selling Silver While United States Buys During First Half of June

The Bank of England gold reserve against notes amounted to £186,648,684 on June 7, an increase of £316,847 as compared with the previous Wednesday, says the weekly bullion letter of Samuel Montagu & Co., of London, England.

During the week the bank announced purchases of bar gold to the value of £472,211.

The following table of United Kingdom imports and exports of gold registered from mid-day on June 2 to mid-day on June 12 shows definitely the flow of gold has been toward Great Britain of late. Before Great Britain went off the gold standard the movement was the other way.

Imports*	
Germany	£1,416,257
Netherlands	134,136
France	75,395
Switzerland	98,337
U. S. A.	3,783,093
Brazil	86,873
British South Africa	1,555,019
British West Africa	66,023
British India	458,590
British Malaya	150,614
Hongkong	63,144
Australia	23,713
Canada	438,307
Salvage from S.S. "Egypt"	43,268
Other countries	42,457
	£8,435,226

Exports*	
France	£ 693,106
Switzerland	40,766
Czechoslovakia	9,530
Other countries	950
	£744,352

*Valued at an average of 122s. 3.08d. per fine ounce.

The S.S. "Moldavia," which sailed from Bombay on June 10, carried gold to the value of about £592,000; of this £571,000 was consigned to London, £14,000 to Marseilles and £7,000 to Amsterdam.

The Transvaal gold output for May, 1933, amounted to 944,604 fine ounces, as compared with 895,097 fine ounces for April, 1933, and 965,644 fine ounces for May, 1932.

Continent Sells Silver

Sales of silver on Continental account have been made consistently, but supplies are fairly well absorbed by speculators and some demand from the Indian bazaars.

Business with United States has been affected by fluctuations in the dollar exchange, and although New York has generally been a buyer, sales were also made by New York.

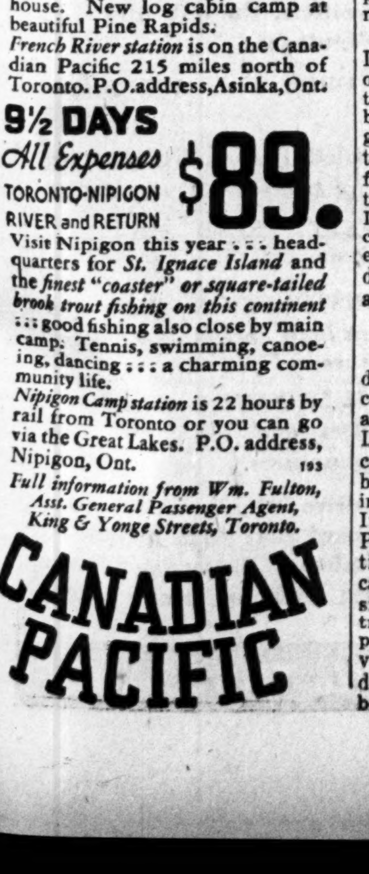
The following United Kingdom imports and exports of silver registered from June 2 (mid-day) to June 12 (mid-day), show the Soviet Union to have been the principal seller and the United States the main buyer:

Imports	
Soviet Union (Russia)	£ 110,000
Germany	38,840
Poland (including Danzig)	19,442
Japan	32,611
British South Africa	5,407
Iraq	5,400
British India	14,674
Australia	13,927
Salvage from S.S. "Egypt"	2,970
Other countries	2,578
	£245,849

Exports	
Persia	£ 13,671
Germany	5,909
France	2,779
U. S. A.	170,125
Straits Settlements	1,950
Other countries	5,523
	£199,957

Lumber Cut by mills reporting to the West Coast Lumbermen's Association for the week ended May 20 totalled 79,827,127 board feet, an increase of over 7,000,000 feet from the previous week. Average weekly cut of the mills this year to date is 60,766,650 feet compared with an average of 66,649,300 feet in the same period a year ago.

Silver Fox litters on Prince Edward Island farms are small and disappointing, ranchers state. Due to the rise in the value of sterling, however, prices will be better although the values at a recent Hudson Bay Co. fur sale were off about 5 per cent.



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French River station is on the Canadian Pacific 215 miles north of Toronto. P.O.address, Asinka, Ont.

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Nipigon Camp station is 22 hours by rail from Toronto or you can go via the Great Lakes. P.O. address, Nipigon, Ont. 193

Full information from Wm. Fulton, Asst. General Passenger Agent, King & Yonge Streets, Toronto.

CANADIAN PACIFIC

G. Harrison Smith Heads Destinies Imperial Oil's World Organization

New President is Dubbed "Dynamo of Energy and Master of All Situations" by Predecessor in Office

By WELLINGTON JEFFERS

G. Harrison Smith, by virtue of his position as newly-elected president of Imperial Oil, Ltd., and in view of the fact that he is already president of International Petroleum, Ltd., and a director of Standard Oil of New Jersey, occupies one of the dominant positions in the world's oil industry. In fact, so far as one can see from Canada it would appear that only one man, W. C. Teagle, head of Standard Oil of New Jersey, occupies a more commanding position in the oil industry of the world. By reason of these positions Mr. Smith is influential in the oil industry throughout the Americas, and by reason of the world-wide affiliations of these three companies to a certain extent elsewhere in the world as well.

Indifferent to Publicity

For the first time in a career of great usefulness and growing influence in the oil industry, G. Harrison Smith comes into the limelight. As senior vice-president of Imperial Oil he has had his hand for years on all the vast interests of the company and his authority to make decisions was only second to that of the senior executive himself. His fellow-directors and officials of the company, all those with whom he has had to do direct business and key men of leading competitive companies, have therefore known about his high qualities as an executive but most Canadians not in the oil business learn about his achievements now for the first time because he has become president of Imperial Oil. One reason is that Mr. Smith is not and has never been interested in personal publicity. It is not that he dodges the camera of the interviewer but that he has been indifferent on the subject. All his friends and fellow executives are well aware of this trait. His interest in plans, projects, resources, men, countries eclipses other considerations.

It was such a man that Elbert Hubbard must have had in mind in his famous, "A Message to Garcia." G. H., or "Harry," as his most intimate friends call him, is credited with having accomplished some great coups in his time, especially in South America, but he will tell about it in about fifteen words. Once a thing is accomplished his mind is so far in the future on new objectives that the thing immediately past and accomplished is already far in the past and a mere detail as far as he is concerned. The interest in his present work and plans takes first place.

G. HARRISON SMITH

Great Enthusiasm For Life

Mr. Smith has an enormous enthusiasm for life. Though he comes to immediate grips with problems and events as they arise and has a faculty for quick decision seldom equalled, he has never outgrown the boy in his approach to life. His infectious eagerness for work, for play, for conversation, for study of men and things as each in turn comes before him is essentially that of the boy. "Come on in, the water is fine," he seems to be saying whatever he is doing. His spontaneity is remarkable, his directness confidence-inspiring. Those who come to him on important missions find themselves deep in the subject a few seconds after they meet him. He gets to the heart of the matter at once, knowing that if there can be agreement on essentials, details will straighten themselves out.

One who has travelled much in South America told the writer of this article recently that President Olaya Herrera, of Colombia, told him that Mr. Smith understood the psychology of Latin peoples better than any North American he had ever met. This was passed on to a Toronto friend of Mr. Smith, and this friend said:

"Well, the feeling of admiration is mutual. I remember hearing Harry say once that he considered the president of Colombia one of the squarest men he had ever met and one of the most patriotic. He said there was only one way to do business with Olaya Herrera and that was to show him that any proposal was in the interest of Colombia. Once convinced, the president would act. If he thought a proposal was in any way detrimental to Colombia, a man would be wasting his breath even if he had the tongues of men and angels.

"I have heard Harry Smith speak highly of various public men in Peru as well. He has a high opinion of many public men in Latin American countries where it is still considered an honor for gentlemen to go into politics. He thinks they show a more pronounced willingness to consider the merits of a question than do politicians of some Northern communities who are wondering always just what Tom, Dick and Harry will think back home."

Mutual Advantage Diplomacy

One can easily deduce from this why Mr. Smith is regarded as an expert in South American psychology. It is because he does not think in terms of "Latin American" psychology at all. As Kipling says:

"There is neither East nor West, nor border nor breed nor land nor birth
When two strong men stand face to face though they come from the ends of the earth."

There is no doubt that the arrangements made after visits by Mr. Smith and others to Peru and Colombia have been very beneficial to those countries and also to Imperial Oil and to Canada. Both Peru and Colombia have had many tens of millions of dollars spent within their borders, they have seen employment of their own people increase considerably, they have found their governmental revenues increased, and they have discovered that these companies have been ready to co-operate in any reasonable way for the welfare of the states where they succeeded in getting oil.

Has Great Gift

Probably as just a tribute as any to Mr. Smith is that of the veteran president, C. O. Stillman, who retired on June 30, after 52 years in the oil business. He referred to Mr. Smith as "that dynamo of energy and master of all situations," and continued as follows: "He has great gifts and extraordinary ability which he has placed wholly and unselfishly at the disposal of this company and its associated companies."

G. Harrison Smith began his career in the oil business as a boy in 1898 and held various positions in the accounting and sales departments. In 1911 he was elected vice-president of the West India Oil Co., and was also engaged in an executive capacity in connection with the export and sale of petroleum products in Brazil. In 1914 he resigned these positions to become vice-president of Imperial Oil, Ltd., and vice-president of International Petroleum Co., Ltd. He was elected president of International Petroleum in 1917 and that is where its extraordinary expansion began.

How "Pete." Became Great

Mr. Smith, along with W. C. Teagle, a former president of Imperial Oil, and other high oil officials, made a trip to Peru that will always be memorable in Imperial Oil annals. It was made in the Yacht Diana across one of the stormiest seas ever encountered by that vessel. It was as a result of that trip that International Petroleum decided on "going the limit" to develop the valuable concessions then and now held in Peru. It is rather characteristic of the new president that in his enthusiasm for Peru and his plans for development in a big way, the storm and the accompanying peril are forgotten. That part of the trip is covered in some such words as these: "We went to Peru in the Yacht Diana." Nothing about storm or peril or mountainous seas. Yet others on that trip refer to it as one of the unforgettable experiences of their lives. G. H. Smith, engrossed in his job, apparently forgot the storm as soon as it was over.

In 1926 the benefit of Mr. Smith's South American experience was desired by Standard Oil of New Jersey, which elected him a director. In 1930 he was elected a director of the Royal Bank of Canada and it is difficult to escape the conclusion that this was due in part to Mr. Smith's knowledge of South America because the Royal Bank has more branches there than any other South American bank. In 1932, Mr. Smith became a director of the Toronto General Hospital.

Never Passes the Buck

The soundness of Mr. Smith's judgment and his capacity to estimate justly a general business situation before most people are aware there is a situation to estimate was strikingly demonstrated to the writer two years ago. In half a minute's conversation with Mr. Smith as they walked along a corridor and went up in an elevator of Imperial Oil's great office building in Toronto, the writer was told in answer to questions that the banking situation in the United States was full of peril and that Mr. Smith did not see how banks filled with unmarketable paper such as real estate bonds could avoid in the end a terrible mess. His prophetic insight was often remembered during the anxious weeks that preceded the federal bank holiday.

The new president, however, does not consider his judgments infallible. Every high calibre man knows he is going to be wrong sometimes and Mr. Smith frankly accepts responsibility when events do not justify a decision taken. One subordinate gives this tribute: "He never passes the buck."

LESUEUR, EAMES SPECIAL SERVICES ARE RECOGNIZED

Two New Vice-Presidents Have Varied Experiences on Two Continents

Imperial Oil's two new vice-presidents, R. V. LeSueur and C. A. Eames, bring special aptitudes to the daily conferences of the board of working directors.

Richard Vryling LeSueur, new director and vice-president of Imperial Oil, was formerly a director of International Petroleum. He really owes the fact that he is in the oil business to the late Hon. W. J. Hanna, former president of Imperial Oil. The latter grew interested in this Sarnia boy and was so impressed by him that he is said to have offered him a partnership on his graduation from Toronto University if he would go to Osgoode Hall and study law. Accordingly he graduated in law about 1903, became a partner of Mr. Hanna and developed into a tower of strength for the latter when he became president of Imperial Oil.

One of Mr. LeSueur's early services of major importance to the company was in 1916 when he went to London and bought Laguinetes Petroleum Corp. which was operating in Peru. That was about the time that International Petroleum was being formed. He went to South America and handled negotiations with the various governments. The experience obtained in these negotiations, including the ability to speak Spanish and his familiarity with the laws of Colombia and Peru led to his being chosen as general legal counsel of International Petroleum. On being elected a director in 1926 he moved from Sarnia to Toronto.

Knows Two Worlds Well

Mr. LeSueur is well known in Canada for his successful practice both as a corporation and a criminal lawyer. He is well known also in Lima, Peru, and has a wide acquaintance with cultural, political, legal and ethnological backgrounds there. This is true also of Colombia and to a smaller extent of other South American countries.

Through the oil industry, among key men, he is regarded as a man of fine judgment. His ability to bring people of opposing views together arises from this fact. He can see both sides of a question and therefore more clearly than most he is aware of whatever points of possible agreement there may be.

Mr. LeSueur represented West Lambton as a member of the House of Commons at Ottawa from 1921 to 1925 but growing pressure of business led to his retirement. He goes to Peru every year and maintains correspondence with many friends there while in Canada. He therefore will be of double value to Imperial Oil in his new post because his advice is based on knowledge, special and unique, of Canadian corporation law and of laws and conditions in South America.

Is Foreign Trading Expert

Clarence A. Eames, vice-president of Imperial Oil, began his career in the oil business 36 years ago with the Atlantic Refining Co. Later he joined the Anglo-American Co. of London, England, and became a director of that concern in 1912. He became a director of Imperial Oil and of International Petroleum in 1921. He spent some time in South America and then came to Toronto where he now resides. He is an expert in foreign trading and in transportation of petroleum products, bringing thus very important experience to the daily counsels of Imperial Oil's board.

Victor Ross Imperial Oil's Senior Vice-President

Victor Ross, vice-president, takes a move up in the Imperial Oil organization as a result of the promotion to the presidency of G. Harrison Smith. He is now the senior vice-president of Imperial Oil in succession to Mr. Smith.

As journalist, editor, author, financial writer and stalwart Canadian "Vic" Ross had already made his mark before he joined Imperial Oil and his reputation has been greatly enhanced since. He knows Canada and the ways of Canadian business inside and out. He has watched the business scene from the side-lines and he has been in the middle of big things himself. He probably has more good friends in every Canadian city and town than any other Torontonian and the list of intimates outside Canada includes men in high places in both the United States and England.

Agree on Policy of Square Deal

Victor Ross and G. Harrison Smith have in the past worked well together and will continue to work well together in their new positions. Victor Ross and the new president are of one mind on the principle that there can be no continuing success for a large company if it does not recognize that business must be carried on with the idea of securing a square deal to everybody concerned, company, industry, public, employees.

"Vic" Ross has been strongly for every liberal policy undertaken by Imperial Oil, including the publication of annual financial statements, the five-day week, the extension of long-term credits on accounts owed by Western farmers, employees' councils, pension fund, liberal aid to employees' stock purchasing plans and the full participation of the company in every national non-political movement of importance where it could be of aid. Apparently the board is a unit on these points but the broad humanity, persuasive eloquence and intimate acquaintance with the Canadian scene of Victor Ross is rightly regarded as being a very important factor.

Has Wide Canadian Interests

Victor Ross is the son of a former crown attorney of Bruce County, Ontario. He was educated at Walkerton and as a boy joined the reporters staff of the Toronto Star. After some years with the Mail and Empire he served for a decade as financial editor of The Toronto Globe. In 1918 he became assistant to W. C. Teagle, who had been just elected to the presidency of Standard Oil of New Jersey. On the death of Hon. W. J. Hanna in 1919 Mr. Ross was elected a director of Imperial Oil. When G. W. Mayer retired from the board of Imperial Oil Mr. Ross became vice-president. Later he was made a vice-president of International Petroleum.

While on The Toronto Globe Mr. Ross was editor of The Canadian Bankers' Journal. He also wrote a history of The Canadian Bank of Commerce and two shorter works, "The Petroleum Industry in Canada" and "The Evolution of the Petroleum Industry." His interests outside Imperial Oil are wide. He is a director of Toronto General Trusts Corp., Canadian General Securities, the Teck-Hughes Mining Co., is a governor of Wellesley Hospital and St. Andrew's College and is president of the Bach Choir in Toronto.

C. O. Stillman, in retiring on June 30 from the presidency said of him, "And there is Victor Ross, perhaps one of the most widely known men in Canada and certainly one of the most widely loved."

Miracle Marketeria Latest Retail Wrinkle

Many Stores Under One Roof Feature New Organization—Rents Based on Sales Volume—Each Department Under Separate Control — Owner Operates Grocery

By B. T. HUSTON.
Editor, Canadian Grocer

A brand new type of retail store has just opened in the west end of Toronto under the name of the Miracle Marketeria. There is nothing just like it in Ontario and as far as is known in all of Canada. It consists of five retail stores in one, three of which are food stores, one a drug and the other a variety store. The owners of the Miracle Marketeria are the S. & M. Stores Limited, including Alvar H. Simpson and R. J. E. McCrea. This company operates directly the grocery section which is a groceteria but each of the others is run by an individual on a rental basis, the rent being based on the total amount of sales done.

The S. & M. Marketeria is entirely different from the "warehouse" store inasmuch as the goods are all displayed on fixtures rather than in original cases. In fact the self-serve grocery department is much similar to a Loblaw Groceteria whereas in the other sections clerk service is given. Everything is on a cash and carry basis.

The big store covers some 15,000 square feet of floor space. It has a like amount on the first floor up and 5,000 square feet on the top floor, although the latter is not in use at the present time. The middle floor has been used as a carpenter shop for the manufacture of the fixtures for displays and other similar purposes. The building was a former storage battery manufacturing plant, a motor car storage garage and an automobile sales room. At each side are two large doors which were used for automobiles to enter and leave. There is a big plate glass window between these entrances and it is inside this that the fruit section stands. Fruit and vegetables are all displayed on slanting type fixture with special equipment to keep vegetables fresh with water sprays.

Back of this is a section for a variety of goods operated by a former Woolworth man. It includes candy, cakes, men's and boys' shirts, ladies' hosiery, lingerie, etc. Back of this again is the drug department run by a qualified druggist who has another store in Toronto.

On the right hand side inside the entrance is an ice cream and soft drink stand where cones and drinks are sold. At the end of this is a fine meat department running almost the complete depth of the building. It has a long glass front display counter, refrigerated by special mechanical refrigeration in the basement. The meat department is operated by a retailer who has in Toronto some ten other meat stores. All kinds of fresh, cooked and cured meats as well as poultry are handled. There are two large coolers to the rear also refrigerated by the same machine for surplus stocks. The finest type of equipment is used including cash registers, computing scales, meat grinders, meat slicer, etc.

The groceteria which is really the main section in the Marketeria is at the rear and must be entered through turnstiles, one at either side. There is a turnstile opposite the meat section and another at the extreme end of the drug department. Inside is a special refrigerated display for butter, cheese and other semi-perishables, kept cool by a small electrically operated refrigerator machine in the basement. There is also a special tea and coffee counter where a coffee grinder has been set up for serving freshly ground coffee. The shelving around the outside is fairly low, considerably lower than that in a Loblaw store. The parts facing the meat and drug sections are in fact not much more than four feet high in order to give marketeria patrons a view all over the big store. One feature of the grocery section is that there is nothing sold in bulk. All the ordinary bulk lines such as rice, tapioca, split peas, beans, macaroni, shelled nuts, prunes, figs, raisins, currants, etc., are put up and sold in Cellophane. There are two exits from the self-serve section, one with four modern type cash registers and the other with one to check out customers. The registers provide an itemized slip for patrons with total amount of the purchase.

Percentage Lease

As intimated above, S. & M. Stores Ltd. collect rent based on the sales in each department. Each has one or more cash registers which provide the totals and these form the connecting links between the owners and the tenants. This plan of paying rent according to sales has never been general in Canada although it has been reported many times from different sections of the United States. It means that the tenant instead of paying a set amount of rent per month pays only as he sells the merchandise. It is the case of "no sales, no rent." Most of the advertising done features the goods in the groceteria. The company's idea is that this acts as a magnet to draw the people to the Marketeria and the other departments then get their share of the business and of the money spent.

This type of store is something new for Canada. Tremendous crowds greeted its opening, but it remains to be seen just how successful it will be at the end of a year. The men behind have had plenty of grocery experience.

Personal Sketches

Alvar H. Simpson was brought up in the wholesale grocery business in Guelph and remained with it there until the Simpson Company founded by his father was taken into the National Grocers Company merger in 1925. He then became a director of the National. A few years later he took charge of the M. & P. chain of stores in Windsor and spent some time in reorganizing it. He retired from the grocery business in 1929 and has since been engaged in the developing and marketing of air conditioning apparatus throughout Canada.

R. J. E. McCrea was for several years associated with his father in a retail grocery and provision business in Guelph. Later he was a salesman for a number of years with H. P. Eckardt & Co. wholesale grocers with headquarters in Toronto and until that company was purchased by the National Grocers Company in 1925. He went over with the National in charge of the tea and coffee sales and a year or two later became connected with the York Trading Co. in a similar capacity.

All the stock in the S. & M. Stores Ltd. is held by these two men, the authorized capital being $90,000 preferred and $10,000 common.

IMPERIAL OIL'S RETIRING PLANS ARE DISCUSSED

(Continued from page 1)

held in Sarnia. They urged that it was fitting that Mr. Stillman's 52 years in the oil business and his 37 years with Imperial Oil would find a fitting official close at the head office of the company and at the refinery built up under his supervision. This argument also applied to Mr. McQueen, who came from Petrolia, just 17 miles away, and had many friends throughout the district even though he had nothing to do with the refining end of the business.

Official Sarnia expressed its regret at the decision of C. O Stillman to retire through Mayor Homer Lockhart and A. D. McKenzie, president of the chamber of commerce, both presenting complimentary addresses. The mayor presented Mr. Stillman with two attractive pictures of local sunset scenes, and Mr. McKenzie presented the retiring executive with a life membership in the chamber of commerce. Both addresses referred to old associations and to the continuing interest still displayed by Mr. Stillman in Sarnia and its people. The mayor suggested Mr. Stillman should come back next fall for an old-time reunion of friends.

Directors, Employees Are Sorry

Presentations were made both to Mr. Stillman and Mr. McQueen on behalf of the employees of the company's largest refinery by Arthur Kirby, an employee and former mayor of Sarnia. Victor Ross, on behalf of the board, also told of the regret felt at the loss of Mr. Stillman and Mr. McQueen. He had had considerable experience with boards of directors and he had never known one where there was such unanimity of purpose, such deference among directors for each other's views and such a willingness to encourage and support constructive effort and initiative as had been shown by the retiring president. Mr. Ross knew few Canadians who had done so much as Mr. McQueen to transform the oil picture of two continents. He had an immense knowledge of the oil field possibilities of Canada and South America.

Arthur Kirby expressed the pride of the employees in the great advance made by Imperial Oil not only at Sarnia where its largest refinery was situated but in the other six Canadian refineries and in the South American operations. During Mr. Stillman's régime there had been established pension funds, stock purchasing plans for employees, sickness benefits, and enjoyable working conditions. He recalled that Mr. McQueen had been born in Petrolia among the oil wells and was an athlete who had played hockey and baseball against Sarnia. His friends were legion. He was selected for a high position with Imperial Oil by the late Hon. W. J. Hanna and well had he justified that choice.

The retiring president, C. O. Stillman, in acknowledging the gifts and addresses said he was leaving office with an easy mind, knowing that his successor would be more than competent to carry on and that the loyalty of thousands of men and women in the organization would be fully his. He gave a high tribute to Alex. McQueen who had been his dear friend and wise counsellor. Mr. McQueen had joined Imperial Oil in 1916 with a long record of successful work in the oil business, with invaluable experience and was resourceful, keen, kindly and unobtrusive.

The meeting then adjourned and directors and shareholders made a trip around the company's plant.

At a meeting of directors later the following officers and directors were appointed: president, G. Harrison Smith; senior vice-president, Victor Ross; vice-presidents, C. A. Eames and R. V. LeSueur; directors, Leo E. C. McCloskey and John McNeil.

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Golf WEEK
July 11th-15th, 1933
The MANOIR RICHELIEU at Murray Bay

- On Tuesday, Wednesday, and Thursday the Practice Rounds take place. Friday afternoon is the Ladies 4th Annual Invitation Tournament (18 holes—medal play). On Saturday morning the Ladies Putting Competition.
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- Championship course on the shoulders of the world's oldest mountains—balsam-laden breezes invigorate and sharpen the senses—and below, that superlative resort the Manoir Richelieu.
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Utilities and Transportation

INTER. P. AND P. NET LOSS LARGER IN FIRST QUARTER

Improvement Noted in Demand for April and May

From Our Own Correspondent

MONTREAL. — Consolidated gross sales of International Paper and Power Co. for the first quarter of 1933 amounted to $30,031,891. This compares with $35,916,838 for the corresponding period of 1932.

During the initial three months this year business both of the paper-manufacturing and of the power-producing subsidiaries of International Paper and Power Co. showed further substantial declines. Operations for the period resulted in consolidated net revenue of $9,417,657 compared with $11,361,862 in the corresponding quarter of 1932.

Net Loss Greater

After all charges there was a net loss for the period of $2,239,073 compared with a net loss of $399,567 in the first quarter last year.

Reduction in earnings is a reflection, in part, of a temporary discount of $5 a ton from established newsprint prices in order to meet widespread price concessions which have been granted by competitors.

Comparative consolidated statements for the first quarter of 1933 and 1932 follow:

Quarter Ended March 31	1933	1932
	$	$
Gross sales	30,031,891	35,916,838
Net revenue	9,417,657	11,361,862
Less: Int. & disc. on funded debt, other int., inc. taxes, sub. divs. & amounts applicable to min. stks. of subs.	9,291,535	9,450,970
Deprec. & deplet.	2,365,196	2,310,459
Net loss	2,239,073	399,567

(In the above statement all figures have been stated at parity of exchange without adjustment of differences between foreign and United States funds. It is the practice of the company to take into current operations any profit or loss on exchange at the time funds are actually transferred.)

Current Conditions Better

In his remarks to shareholders, Archibald R. Graustein, president of the company, refers to the fact that since the end of the first quarter of 1933 demand has been increasing both for power and for paper and prices for almost all grades of paper except newsprint, have been increasing.

Subsidiary companies have continued the process of reducing outstanding indebtedness, according to Mr. Graustein. Between January 1 and April 30, over $4,000,000 of floating debt was paid off and reduction in funded debt effected. In the same period there was a substantial increase in cash and a small net increase in total working capital.

Southern Canada Power Lease Declared Void

From Our Own Correspondent

MONTREAL. — Following submission of evidence to the effect that the St. Francis River was not navigable, the Quebec Superior Court has decided that that part of the river bordered by the lots of the St. Francis Hydro-Electric Co., forms part of the property of the company and that the lease given by the Quebec Government, granting the Southern Canada Power Co. the right to develop the power site at Spicer Rapids, was null and void.

Litigation relative to the ownership of the bed of the river at Spicer Rapids started nearly five years ago after Southern Canada Power had been granted the lease of the falls by the government for a period of 75 years and on which the company planned to develop a plant capable of producing 50,000 h.p. The St. Francis Hydro-Electric Co. had previously acquired the major portion of the lots surrounding Spicer Rapids which extended to the bed of the river.

Southern Canada Power Co. had planned to build a dam near Jersey island on the river. Their lease was 75 years dated from 1912.

Jamaica Public Service Returns Higher for May

From Our Own Correspondent

MONTREAL.—An increase in both net and gross earnings is reported by Jamaica Public Service for May last. In that month gross revenues totalled $65,519 compared with $61,266 for the same month last year. Operating expenses show an increase, but surplus after charges amounting to $16,309 compared with $12,515 in May, 1932.

Cumulative returns for the 12 months ended May, 1933, show a gross income of $793,816, net earnings $330,767 and surplus after charges $219,167. For the previous twelve months gross income totalled $800,559; net earnings $316,980 and surplus after charges $208,475.

Mersey Paper Co. Opens New Market

From Our Own Correspondent

MONTREAL. — Mersey Paper has established a new market for its newsprint output, having received a contract from Havana, Cuba.

This additional business will enable the Mersey plant at Liverpool to maintain its operations at capacity.

Originally designed with a capacity of 240 tons newsprint daily, the plant has been operating beyond that point for many months past. Production is reported to be in the neighborhood of 300 tons daily, which gives it the second highest operating ratio of any Canadian newsprint plant.

MARKET VALUE POWER CORP.'S HOLDINGS GAIN

Increment Between March 31 and May 31 Totals $4,500,000

From Our Own Correspondent

MONTREAL.—An appreciation in the value of the company's investment portfolio of over $4,500,000 between March 31 and May 31 of this year is reported by Power Corp. of Canada.

At the end of its last fiscal year, June 30, 1932, the company reported a book value of investments of $43,170,355. Combined value of these investments based on available market quotations or estimated fair value was stated to have been $26,614,916. With the improvement reported officially since the beginning of the year, it is likely that the financial statement for the year ended June 30, 1933, will show a market value of investments in excess of $30,000,000.

Earnings Are Lagging

No statement has been issued in respect to earnings except that covering the first six months of the fiscal year December 31, 1932. The interim statement for that period follows:

6 Mos. Ended Dec. 31	1932	1931
	$	$
Gross income	794,000	1,048,000
Oper. expense	168,000	211,000
Net income	631,000	837,000
Debent. int.	276,000	304,000
Balance	355,000	533,000

Power Output Higher

Expansion in electric power output of companies comprising the Power Corp. group continued for May with a gain of 3 per cent over the output for the same month last year, as shown by the following tabulation of kw.h. production:

May:	1932	1933
Southern Canada	14,056,100	18,800,880
Canada Northern	37,125,750	39,834,110
East Kootenay	5,190,434	5,742,368
B. C. Power	35,813,480	34,469,236
Northern B. C.	660,805	892,220
Winnipeg Electric	16,181,100	17,794,900
Manitoba Power	23,739,000	19,151,000
Northwest. Power	110,000	93,200
Total	132,876,669	136,777,914

CANADA NORTHERN RECORDS ADVANCE

Earnings, Output and Customers Increase in May Last

From Our Own Correspondent

MONTREAL. — Canada Northern Power Corp. reports an increase in gross earnings during May of $15,043 over that for the same month of the preceding year. May's gross income amounted to $297,358 as against $282,315 last year. Operating expenses were $2,948 higher at $92,672, leaving net earnings for the month at $204,686, compared with $193,591 in May, 1932.

For the five months period ending May 31, 1933, gross earnings amounted to $1,487,767 as against $1,435,216 for the first five months of 1932. Operating expenses at $447,334 were $6,071 higher than the same period last year with net revenue of $46,480 higher at $1,040,433.

Power Output Gains

Power output of Canada Northern Power Corp. for May reached the high figure of 39,834.110 kw.h. an increase of 2,708,360 kw.h. for the month and bringing the total increase in power output for the five months period to 11,883,190 kw.h. as compared with 1932 returns.

There were 94 new customers added to the company's system during May, bringing the total to 12,728 at the end of the month compared with 11,780 at the same date last year.

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GATINEAU POWER TO PAY $348,481 ON CROSS CLAIM

Decision Against Company in Litigation Over Land Expropriated

From Our Own Correspondent

MONTREAL.—Gatineau Power Co. has been condemned by Quebec courts to pay $348,481 to Freeman T. Cross for satisfaction of his claim for property owned on the Gatineau River and expropriated by Gatineau Power Co. in connection with its electrical developments there.

Originally Cross claimed $1,140,458 while the company offered him $48,800 in full settlement of his claim. The company, according to the evidence, arbitrarily possessed itself of Cross' property at Chelsea Falls, erected a dam, raised the river level and flooded Cross' holdings.

Increase Original Claim

Cross first claimed $600,000 in the Superior Court and while the case was under advisement before the trial started, the dispute carried to the Quebec Legislature an appeal empowering the Gatineau Power Co. to proceed with its development but ordering that the case be reopened in the Superior Court and a fair indemnity fixed as payment for the plaintiff's rights.

The plaintiff then made a new claim, estimating damages at $1,140,458, including the actual loss from the raising of the river level and the cost and disbursements incurred in court proceedings.

Basis of Settlement

The contentions of the parties were examined by Mr. Justice deLorimier who fixed the indemnities at $271,500 for the properties. Included in this amount was $60,000 for hydro-electric plant and distribution systems; $115,000 for the flooding of two sawmills and timber properties; $5,400 for depreciation of timber limits; $100 for gravel pit and $1,000 for loss of gravel. To all this His Lordship awarded $76,981 for costs and disbursements, which brought the total award to $348,481.

If the company does not pay this amount, with interest, within 5 days, Cross is empowered to open the gates of the power dam at Chelsea Falls and release the water which is flooding his property.

CANAD. PACIFIC MAY INCOME UP OVER LAST YEAR

First Increase to be Shown Since September Last

From Our Own Correspondent

MONTREAL.—The first increase in net operating income over that of the preceding year since last September is reported by the Canadian Pacific Railway for May, 1933.

Gross revenues during the month amounted to $8,789,285 or $728,069 less than for the same month a year ago. Operating expenses, on the other hand, were reduced by $966,514 or $238,444, greater than the loss in gross income. The next result was an increase in net operating income from $737,364 in May, 1932, to $975,809 for the same month this year.

Reduce Earlier Losses

The improvement in May tended to reduce the decrease in net operating income since the beginning of the year. Gross revenue for the first five months of 1933 amounted to $40,283,863 or $7,264,634 less than for the same period in 1932. Operating expenses did not decrease in the same proportion, expenses this year amounting to $37,472,110 compared with $43,865,234 last year.

Net operating income for the first five months this year amounted to $2,811,753. This compared with $3,673,263 for the corresponding month of 1932, a decrease of $861,509.

Port of Spain Wants Trinidad Utility Co.

From Our Own Correspondent

MONTREAL. — Municipality of Port of Spain has no intention of abandoning the idea of taking over the plant and equipment of the Canadian-owned Trinidad Electric Co., according to a statement made by the mayor of the municipality.

When the municipality in January informed the company of its intention to purchase, the undertaking became municipal property, but continued under management of the company as trustees. On the setting of a price by agreement or arbitration, the municipality would pay it and assume complete control. The municipality's main concern at present was preparation of valuation of assets, according to Mayor H. A. de Fridtas.

Public Utility Earnings

Barcelona Traction

May:	1933	1932	%
	Pesetas	Pesetas	Incr
Gross earn.	8,821,349	8,774,405	0.54
Oper. expenses	3,077,886	2,992,874	2.84
Net earnings	5,743,463	5,781,531	*0.66
Five Mos. end. May 31:			
Gross earn.	48,523,538	47,823,426	1.46
Oper. expenses	16,050,480	15,520,424	3.42
Net earnings	32,473,058	32,303,002	0.53

*Decrease.

Gatineau Power

Quarter End. Mar. 31:	1933	1932
	$	$
Gross revenue	2,268,712	2,410,895
Net revenue	1,999,584	2,113,175
Less: Interest	1,332,760	1,348,294
Depreciation	158,750	147,512
Balance	508,074	617,369

Canada Northern Power

May:	1933	1932	Increase
	$	$	$
Gross	297,358	282,315	15,043
Oper. exp.	92,672	89,724	2,948
Net earn.	204,686	192,591	12,095
Five Months:			
Gross	1,487,767	1,435,216	52,551
Oper. exp.	447,334	441,263	6,071
Net earn.	1,040,433	993,953	46,480

Jamaica Public Service

May:	1933	1932
Gross earnings	$65,519	$61,266
Net earnings	25,604	21,842
Surp. after charges	16,309	12,515
12 Months end. May 31:		
Gross earnings	$793,816	$800,559
Net earnings	330,767	316,980
Surp. after charges	219,167	208,475

The above figures converted from £ Sterling at the rate of $4.86 2-3 to the £1.

MONTREAL POWER WIDEN OPERATIONS IN MONTREAL AREA

Now Supply 44 Municipalities on Island of Montreal

From Our Own Correspondent

MONTREAL. — Montreal Light, Heat and Power Con. officially took over the electric distribution system of the Town of Point Claire at the beginning of July. This is the ninth local municipality to abandon its publicly operated electric distribution system and makes a total of 44 municipalities served by the company in the city and district of Montreal.

The property included in the sale, which involved $100,000 in cash, consisted of distribution facilities only, as the town previously purchased electricity en bloc from the company. Furthermore, the town will retain its street lighting equipment.

Given Standard Rate

The rate for electricity under municipal ownership was 5.4 cents per kw.h. This will be reduced to the standard rate in the Metropolitan area of 3 cents per kw.h. plus a royalty for the benefit of the town.

The royalty is fixed at the maximum of 2 cents per k.w.h. on the lighting service rate and ½ cent per kw.h. on the cooking service rate, the former to remain in effect for a maximum period of ten years and the latter for a maximum period of five years, subject to reduction or cancellation in the meanwhile at the option of the town.

The company has guaranteed the town an annuity of $15,000 a year for two years to be realized partly from this additional rate, and of which amount it will make up any deficit.

Furthermore, the purchase price of $100,000 will wipe out the municipal debt in connection with the electric distribution system and thus do away with the necessity of providing for interest and sinking fund.

GATINEAU POWER OPERATING PROFIT HIGHER THIS YEAR

Loss of Exchange Profit Affects Balance Added to Surplus

From Our Own Correspondent

MONTREAL. — Operating revenues of Gatineau Power Co. and subsidiary units, all of which in turn are controlled by Canadian Hydro-Electric Corp., were on a better basis the first quarter of 1933 than for the corresponding period of 1932.

Consolidated operating revenue and other income of Gatineau Power for the first three months of 1933 amounted to $2,318,421 compared with $2,282,066 in the first quarter of last year.

Loss on Exchange

Net revenue before interest and depreciation for the first quarter of 1933 was $1,999,584 against $2,113,175 in the corresponding quarter of 1932. The 1933 figure, it is pointed out, shows a loss on exchange of $49,709, and on the 1932 figure includes a profit on exchange of $128,829.

Particulars of the consolidated income statement for the first quarter of 1933 and 1932 follow:

Quarter Ended Mar. 31	1933	1932
	$	$
Oper rev. & other inc.	2,318,421	2,282,066
Profit on exch.	......	128,829
Loss on exch.	49,709	......
Gross revenue incl. other income	2,268,712	2,410,895
Net revenue	1,999,584	2,113,175
Int. on first mort. bonds and prior liens	881,318	885,657
Balance	1,118,266	1,227,518
Int. on debents.	274,808	279,645
Other int., amort. of disc., divid. on pref. stock of sub.	176,634	182,992
Deprec. and amort. of storage works	158,750	147,512
Bal added to surp.	508,074	617,369

Cumulative Total Up

For the twelve months ended Mar. 31, 1933, consolidated net revenue available for interest and depreciation was $8,282,907. This compares with a corresponding figure of $8,036,378 for the year ended March 31, 1932.

After taking care of all senior charges, Gatineau Power Co.'s consolidated statement for the year ended March last showed a balance added to surplus of $2,323,418. This compares with $2,074,948 in the previous year. Comparative figures of consolidated income for the 12 months ended March 31, 1933, and 1932, follow:

Twelve Mos. Ended Mar. 31	1933	1932
	$	$
Oper. rev. & other inc.	9,268,991	9,034,408
Profit on exch.	......	243,061
Loss on exch.	16,468	......
Profit on bonds and debs. redeemed	235,140	53,117
Gross revenue incl. other income	9,487,673	9,330,586
Net	8,282,907	8,036,378
Int. on first mtge. bonds and prior liens	3,536,632	3,545,856
Balance	4,746,275	4,490,522
Int. on debents.	1,108,181	1,126,994
Other int., amort. of disc., divid. on pref. stock of subsid.	674,983	701,272
Deprec. and amort. of storage works	639,693	587,308
Bal. added to surplus	2,323,418	2,074,948

May Immigration Lower Particularly from U.S., U.K.

Immigrants entering Canada in May numbered 1,474 of whom 251 came from the British Isles, 956 from the United States and 267 from European and other countries. Compared with a year ago when the total was 2,718, British 510, United States 1,834 and others 374, a decrease of 45.8 per cent in the total is noted, British and United States immigrants being off about 50 per cent and others about 30 per cent.

Among other races, northern Europeans accounted for 61 in May, 1933, compared with 86 a year ago, Germans predominating in both months. Among the remainder, Hebrews led with 39, followed by Magyars 34 and Slovaks 29.

Railway Earnings

Canadian Pacific Railway

May:	1933	1932	Decrease
	$	$	$
Gross	8,789,285	9,517,355	728,069
Exp.	7,813,476	8,779,990	966,514
Net	975,809	737,364	*238,444
Five Months:			
Gross	40,283,863	47,548,497	7,264,634
Exp.	37,472,110	43,865,234	6,403,125
Net	2,811,753	3,673,263	861,509

*Increase.

Canada's First Sugar Storage Bins

Four circular storage bins, pictured above, having a total capacity of 4,000,000 pounds of sugar, are being constructed at Raymond, Alta., by Canadian Sugar Factories, Ltd. This is the only installation of its type in Canada and the second in the world.

IMPRESSIVE DROP IN UNEMPLOYMENT IN GREAT BRITAIN

Lowest Figure in Two Years Recorded in May

Four consecutive monthly returns by the Minister of Labor in Great Britain have revealed a steady improvement in industry and trade as far as employment is concerned. The improvement touches nearly all industries except those which normally have their flat season in the warm weather. During May, the number of registered unemployed fell by 114,755 to 2,582,879, while since the January count, which measured the depth of the winter depression the number of unemployed has decreased by 320,186.

Employment figures are better still. While scores of thousands of persons who were out of work have recovered places in industry month by month, there have also been many new entrants, mainly school-leavers. In May, the estimated number of employed persons rose to 9,657,000, and since January the number of employed have increased by 372,000.

Building Active

The total unemployment figure is the lowest recorded since May two years ago, with the single exception of the week before Christmas in 1931. Administrative and legislative changes have made a difference compared with two years ago which must be allowed for, but the figures of last month and those of May last year are strictly comparable. These figures show a decrease of 157,427 in the number of the unemployed, an increase of 306,000 in the number of the employed.

The leader among the industries showing a decrease of unemployment last month is building, with a total decline of 22,000, the general engineering trades coming second with a decline of over 11,000. Figures for the metal industries as a whole are relatively good. Taking all branches of industries together, general, electrical, marine and structural, the decrease of the numbers unemployed exceeds 14,000. In the lighter metal trades the decrease is 12,000 and in the iron and steel trades about 8,000.

There was more activity also in the textile industry, the number of the unemployed cotton workers being 8,000 fewer and the number of unemployed woollen workers nearly 9,000 fewer. The clothing trades were more active and in the boot and shoe industry the unemployment figure was down 8,000. In the distributive trades, there were 8,800 fewer unemployed persons. There was also some improvement in employment in transport, namely at the docks. About 2,000 more miners were unemployed.

SAINT JOHN DRYDOCK SECURES BIG ORDER

Will Build Harbor Sheds at a Cost of Over $1,000,000

From Our Own Correspondent

MONTREAL.—Saint John Dry Dock and Shipbuilding Co. has been awarded a $1,000,000 construction job on the Saint John Harbor Commission plant, payment for which the government will be able to carry to January 1, 1937, with an interest rate of 3 per cent.

Three steel and concrete sheds are to be constructed with conveyor galleries and galleries are also to be erected connecting the Harbor Commission's grain elevators to the C. P. R. elevators.

Work is to be started immediately and will be completed by the end of the year. It is expected that employment will be provided directly and indirectly for some 550 men.

One shed is to be constructed on the Navy Island quay wall; the other two sheds to be designated as "A" and "B" will be placed on the new pier within the former Coffer Dam area.

The two transit sheds to be built on the pier, one on either side, will each be 600 feet long and 95 feet wide, while that on the quay wall, which will have the greatest amount of floor space of any shed in the port, will be 740 feet long and 95 feet wide.

Single tracks are to be run in front of each shed. Between the two sheds on the pier there will be five sets of tracks and behind the shed on the quay wall there will be three tracks.

The Navy Island development has cost approximately $8,000,000 to date. It was commenced in 1928 with the construction of the largest coffer dam in the world. Work was retarded by two breaks in the dam.

Anglo-Newfoundland Co. Carries Out Financing

From Our Own Correspondent

MONTREAL. — Anglo-Newfoundland Development Co. has sold an issue of £1,750,000 4½ per cent first mortgage bonds.

The company owns paper mills and power supply in a 17 square mile area around Grand Falls and Millertown, Nfld. It is principally interested in the manufacture of newsprint and has productive facilities capable of turning out some 400 tons daily of this type of paper.

Canadian Western Lumber

April—	1932	1933	Increase
	Feet.	Feet.	Feet.
Lumber mftd.	8,045,342	9,286,500	1,241,158
Lumber Sold	7,627,151	8,827,900	1,200,749
Price Realized	$101,184	$108,000	$6,816
*Aggre. Mftd.	34,816,325	37,127,398	2,311,073
*Aggre. sold	33,261,529	34,966,450	1,704,921
*Price realized	$408,827	$404,137	†4,690

† Decrease.
* From Jan. 1 to end of April.

NEW STORAGE BINS FOR BEET SUGAR

Huge Bins at Raymond First of Their Kind in Canada

From Our Own Correspondent

LETHBRIDGE.—Something new in bulk storage is being installed by Canadian Sugar Factories, Ltd., operators of the beet sugar factory at Raymond, south of this city. Construction is under way on four huge silos or bins and these will be ready to receive new refined sugar this fall during the run. The installation costing $50,000 will be the only one of its type in Canada and the second in the world.

The bins are really huge concrete elevators, each capable of holding 1,000,000 pounds of sugar. They are 33 feet in diameter and will rise more than 100 feet in height. Of concrete construction they will be lined with clean, kiln-dried fir. The walls are 7¼ inches thick and will be reinforced with 180,000 pounds of steel. They will be so built as to insure protection from dampness and other damaging conditions.

The sugar will be carried from the factory by screw conveyors where it will be stored in bulk until required. It will then be returned to the packing room in the mill and bagged for market.

Woollen Textile People to Confer on Tariff Matters

From Our Own Correspondent

MONTREAL. — Prior to the hearing before the Tariff Board of the application of the British woollen textile interests for a review of tariff rates, it is reported that preliminary conferences will be held between representatives of the British woollen textile industry and the Canadian Woollen and Knit Goods Manufacturers' Association.

H. B. Shackleton, of Bradford, England, and George H. Wood, secretary of the Woollen and Worsted Trade Confederation of Great Britain will act for the English interests, while Henry Barrett, J. Douglas Wood and Douglas Hallam, will represent the Canadian interests.

It is expected that the preliminary conference will occupy only a short time, following which the British applicants and the domestic producers will finally prepare their briefs for filing with the Tariff Board.

Cumulative Recovery

Our July Review and Bond List entitled "Cumulative Recovery" outlines some features of the improvement in business and finance during the past few months, as well as the present outlook.

July Bond investments, in a wide range of attractive Canadian Government, high-grade Municipal and Corporation offerings are included in this booklet.

July Review and Bond List gladly furnished upon request.

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Newfoundland Notes

The Norwegian fishery season is almost over for this year and the total catch will be smaller than 1932. Iceland's catch to date is greatly in excess of last year. At the present time, the Italian and Spanish markets are very good while the Porto Rico market is anything but satisfactory.

Canned Goods, packed in Newfoundland were stated to be unsatisfactory at a recent meeting of the Newfoundland Board of Trade. The time is opportune for the laying down of suitable regulations to govern the canning industry; there are too many back kitchen canneries and consequently it is impossible to inspect operations or to attain a standard of quality, the report of the meeting states.

August contains the anniversary of an event that is of special importance to Newfoundland and of interest to the whole of the Empire as well. On August 3, 1583, Sir Humphrey Gilbert arrived at St. John's with two ships, the Delight and the Golden Hind. He came with Queen Elizabeth's commission to take possession of the island.

Postal Officials in Newfoundland have been very busy supplying the demand for a new series of stamps recently issued. The sale to foreign speculators and collectors was unusually large, it is stated.

S.S. Ungava, famous sealing ship, has been hired by the Italian government to proceed to Cartwright with supplies and equipment for the Italian air fleet which is flying from Italy to the Chicago World Fair.

Newfoundland government officials have left for Central Labrador to investigate the mining prospects in the Seven Islands' district.

Quebec Forestry Head Expects Pulpwood Advance

From Our Own Correspondent

MONTREAL.—A better demand for pulpwood and prospects for an increase in price, are reported by G. C. Piche, chief of the Forestry Service of the Quebec Department of Lands and Forests. Mr. Piche does not expect that the price per cord will reach $7 immediately, as some newspapers have it, but he was hopeful that the improved tone in the pulp and paper industry would bring about a gradual increase in the price of pulpwood.

Abitibi Power & Paper Company, Limited
TORONTO, ONT.

Owning and operating mills at

Murray Bay, Que.	Sault Ste. Marie, Ont.
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Sturgeon Falls, Ont.	Smooth Rock Falls, Ont.
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FOR fourteen consecutive years Firestone tires have been on the winning cars in the 500-mile Indianapolis Speedway Race . . . the world's most grueling endurance test.

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1 GUM-DIPPED CORDS *with 58% longer flexing life.*

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4 BALANCED CONSTRUCTION—*Holds the tire on the road at high speeds and assures you of long, even wear.*

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—Louis Meyer, winner of the 1933 Indianapolis Speedway Race

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News of Investment Markets

INDUSTRIAL BONDS, WESTERNS STEADY HIGH-GRADES OFF

Paper Bonds, Convertibles and Meat Packing Liens Firmer

Industrial and Western provincial bonds have been steady, while gilt-edged Canadian bonds have shown signs of weakness in the last two weeks. The energetic rising market of May seemed to disappear in June.

Among the best displays in the industrial list were speculative paper company bonds, convertible bonds and meat packing liens. Abitibi 5's of 1953, C.P.R. 6's of 1942 and Harris Abbatoir 6's of 1947 exemplify this.

The rise in paper bonds is based largely on hope for improvement through the United States industrial recovery programme, according to informed observers. Since the United States is the market for most Canadian newsprint, it is thought that the Roosevelt administration may force the Canadian paper companies into policies which may improve matters. It has been pointed out that the United States paper industry could not control itself effectively without co-operation from Canadian firms.

Effects of Stock Prices

Higher stock market prices for such shares as C.P.R. and B. A. Oil have been important factors in the strength of the debentures of these two companies. The C.P.R. 6's of 1942 were sold only with difficulty in 1932 at 100. On July 4 the street was bidding 107½. These debentures carry the right to convert into four shares of common stock for each $100 of bonds.

The rise in packing house bonds is considered indicative of the improved business which Canadian meat firms have been doing. The Ottawa agreements are believed to have helped, and the rise of sterling to nearly par in Canada has aided prices. Higher meat prices have resulted in inventory profits. Comparative prices for industrial bonds are shown below:

Approximate Bid Prices of Representative Canadian Industrial Bonds

	July 4	June 5	May 8
Abitibi 5's '53	32	25	16
Alta. Pac. Gr. 6's '46	84	84	80
Beauhar's 6's '59	49	47¾	48
Bell Tel. 5's '55	106	108	101½
B. A. Oil 5's '45	96½	94½	91
B. C. Pwr. 5½'s '60	90	90	77
B. C. Tel. 5's '60	91	93	86
Cal. Pwr. 5's '60	85	84	77
C. Cement 5½'s '47	77	80	66
Can. S.S. 6's '41	22½	25	25
C. Cop. Ref. 6's '45	105½	105	103
C. P. R. 4½'s '44	84	82	70
C. P. R. 6's '42	107½	101	95
Davies 6's '42	93	93	89
D.-Price 6's '66	82½	80	66
Gatineau 5's '56	80	80½	77
Harris Ab. 6's '47	98	91	88
McColl F. 6's '49	94	95	88
Massey-H. 5's '47	68	68	59
Mtl. Trms. 5's '55	78	80	69
Shawinigan 5's '70	80	79	75
Simpsons 6's '49	79	77	61
Wpg. Elec. 5's '35	70	69½	65

Steadiness of Westerns

The mere steadiness in Western bonds and some weakness in gilt-edged securities may be indicative of diversion of funds into the stock market. Another adverse factor is the sharp rise of the Canadian dollar in the United States, which does not attract investment from that source. The market in these securities is now said to consist chiefly of Canadian dealings.

Average Yield on Seven Canadian High Grade Bonds

July 4	4.501	June 23	4.473
July 3	4.509	June 22	4.463
June 30	4.506	June 21	4.464
June 29	4.504	June 20	4.469
June 28	4.498	June 19	4.473
June 27	4.491	June 17	4.474
June 26	4.480	June 16	4.477
June 24	4.474	June 15	4.484
		June 1	4.467

Even the maintenance of firmness in Western provincial bonds is considered commendable after the pronounced weakness of such securities in the last two years. Manitoba is making a test of the market with an issue of 5½'s which are being offered at 93½. The latter price is just under the offering price for other similar securities in the open market. The outcome of the offering will give a good indication of the market's attitude toward higher wheat prices and the consequent expectation of better conditions on the prairies.

Approximate Bid Prices of Representative Bond Issues of Four Western Provinces

	July 4	June 5	May 8
Man. 6's '47	99½	98½	95
Sask. 5's '52	92¾	93	88
Alta. 6's '47	100¼	99½	96½
B. C. 6's '47	100¼	99½	97

Becomes President

EMIL G. SICK

Managing director of Associated Breweries of Canada, elected president of the company recently. Mr. Sick has been instrumental in securing interests in four breweries in Northwestern United States.

ASSOC. BREWERIES SELECTS CHAIRMAN AND ITS PRESIDENT

J. Gordon Walford is Appointed General Manager

At a meeting of the board of directors of Associated Breweries of Canada, held in Calgary recently, Fritz Sick, pioneer brewer of Western Canada, was appointed chairman of the board of directors. Mr. Fritz Sick relinquished the active duties of president to Mr. Emil G. Sick, who retains the position of managing director.

Another appointment to the board was that of Major R. H. B. Ker, of Victoria, B.C., who was made vice-president of the company. Major Ker is past president of the Victoria Chamber of Commerce. The other vice-president of the company is L. M. Johnstone, K.C., of Lethbridge.

J. Gordon Walford, secretary-treasurer for many years of Associated Breweries, was appointed general manager.

In addition to the officers already named, the board of directors now consists of Colonel G. R. Whitmore, J. C. Malone and W. Hutton, of Regina; A. R. Raue and W. H. Sheppard, Edmonton; R. J. Chiswick, Lethbridge and Colonel E. Gerald Hanson, of Montreal.

Expands in U. S.

It was reported at the meeting that Associated Breweries has acquired considerable interests in breweries at Great Falls and Missoula, Montana; the Goetz Breweries, Inc., Spokane and Century Brewing Association, Seattle, Washington. The latter will be one of the largest breweries on the North American continent, it was stated. The first three mentioned are already producing beer, while the latter is expected to be producing within the next four months.

Altogether $400,000 U. S. funds have been expended on six plants. Common stock dividends will be considered in the light of the present summer's business.

Bond Redemptions

Bond Issues—	Rate	Due	Redeem.	Price
Ont. Pwr. Co.*	5%	....	July 18	110
Harris Abattoir A†	6%	1947	July 18	...

Purchase of bonds for sinking fund: *$125,403; †$145,000.

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ONTARIO LAND
SURVEYORS
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MANITOBA ISSUE IN FAIR DEMAND YIELD OVER 6%

Will Furnish First Real Test of Market for Westerns in Months

Manitoba is offering an issue of $3,500,000 of 5½ per cent debentures, due July 1, 1958, at 93½, through a large group of leading Canadian bond houses and banks. In the initial stages the offering met fair demand, but no early sell-out is expected, The Financial Post is informed. This is understood to be about what was expected of the issue, which, however, may all be sold within a reasonable time.

Dealers are believed to be only taking bonds from the syndicate of which the sale is more or less certain. Thus, the fair early demand may augur better for the issue than it might otherwise indicate. Much, of course, depends on the general market for Western bonds.

The new issue is payable in lawful money of Canada in key cities of the Dominion, and is in $100, $500 and $1,000 denominations.

Yield Favorable

The Manitoba bonds are being offered to yield slightly over six per cent. This compares favorably with the current market price of the province's bonds. Recent offering prices on the open market have been on a basis to yield slightly less than six per cent.

The issue is being made just after the market for Western provincial bonds has had a sharp rise. A short time ago, Manitoba 5½'s were available in the lower 80's. The rise has been sustained. But the new bonds will furnish the first real test in months of investment opinion on the merits of Western finances. The latest rise in Western bonds was considered speculative because it is believed to have been largely based on the increase in wheat prices. Conservative opinion prefers to wait to see whether the current wheat boom means early improvement in Manitoba's financial position.

Considerable criticism has been heard of the recent financial position of the province. The last three budgets have resulted in deficits and the province has budgeted for a deficit in 1934. As a result of unsatisfactory provincial financing, the Dominion Government lent some eight million dollars to the province. The results of the province's operations for the last three years are shown below:

Revenue and Expenditure of Manitoba for Years Ended April 30

Year	Revenue $ 000's	Expend. $ 000's	Deficit $ 000's
1931	14,086	14,705	619
1932	12,174	14,631	2,457
1933	12,367	14,311	1,944

Position of Budget

The offering circular says the budget was balanced in 1931 "after drawing upon funds to the extent of $2,457,136 available in the province's deferred subsidy account." In the year ended April 30, 1933, the deficit was $1,944,564, which the circular states indicated a substantial improvement over the preceding year. The last statement acknowledges the unbalanced budget of 1932, of which the nature might not be clear if it were not pointed out that the province had drawn on its reserves.

The issue is to be used for relief "and general provincial purposes." The amount of relief is not indicated. Some criticism has been given lately to public bodies funding relief, at least over long periods. In some cases such expenses have been covered with five-year loans maturing serially. In the present case a sinking fund of one per cent of the bonds is to be provided.

The gross and net debt of the province is as follows:

Gross and Net Debt of Manitoba as Reported at June 27, 1933

Assessable property	$522,811,000
*Gr. debt (incl. present issue)	117,822,047
Less: Self-sustaining debt:	
Man. Govt. Teleph.	22,579,656
Man. Farm Loans Assoc.	7,022,270
Drainage districts	5,829,114
Man. Power Comm.	5,077,991
Housing scheme	2,507,189
Man. Co-op. Wheat Producers	2,100,000
Judicial districts	2,020,583
Other rev. prod. items	3,886,323
†Net sinking funds	1,544,284
Net debt	65,255,637
Contingent liabilities	8,763,271

* In addition $12,027,590 Treasury Bills are held by banks and are covered by Provincial Savings Investments of a par value in excess of this amount.

† Sinking fund of province is $6,861,185, from which $5,316,901 of sinking fund on self-sustaining debt is deducted.

HOTEL GENOSHA SOLD FOR $75,000

Bondholders Will Get Small Return of Capital

Sale of the Genosha Hotel, Oshawa, Ont., has been arranged by London & Western Trusts Co. to an Oshawa syndicate for the sum of $75,000 of which $25,000 will be paid in cash and $50,000 in the form of a 6 per cent mortgage. Promoted by the defunct United Bond Co., the Genosha Hotel Co. issued $325,000 of 6½ per cent serial bonds in 1928. London & Western Trusts Co. took charge of the semi-furnished hotel in 1930 as receiver and manager following default in bond interest payments. Operations were carried on at a loss.

Bondholders met in January, last, to consider means of raising funds to reimburse the receiver for advances amounting to $32,000 and arrears of receiver's fees. Failing to raise the money the property was put up for sale in March but tenders were lacking. Current sale of the property has been approved by the court which will receive the $25,000 payable in cash and disburse this amount among persons having charges on the property. Ranking ahead of bondholders are taxes of $8,063; receiver's fees of $8,500; advances made by receiver of $32,000 and unstated costs of bringing and prosecuting the proceeding to realize the security. Opponents of the sale claim bondholders will realize only five cents on the $1.

Ontario Likely to Borrow Again Before End of Year

Loan Probable After Dominion Conversion Operation in October — Budget Expected to Come Near Balance — Revenues Down

Ontario will probably be in the market for another long term loan this year, in addition to the $25,000,000 of bonds recently floated, The Financial Post is informed by officials. It is too early yet to determine the amount of money which will be sought, but it is expected to be considerably less than the last loan.

The loan will likely come after the Dominion's conversion operation, scheduled for October. While the opportunity may be good to obtain money before that time, Ontario officials consider it too close to the last loan, which was just sold in June, to be suitable. Moreover there is no desire to interfere with the Dominion operation.

Budget Prospects

Present indications are that the budget for the fiscal year ended Oct. 31, 1933, will come "pretty near" to balancing, according to provincial authorities. The year's budget allowed for a deficit of $2,952,000 on ordinary account.

Tax collections in most departments are lower for the 1932-33 year than for the preceding period, The Financial Post is informed. Succession duties show an increase, largely on account of the addition of a ten per cent surtax, the only additional tax imposed this year. Duties raised from some estates have been disappointing, but on the whole there are hopes that the full increase of $2,363,000 estimated in the budget may be realized.

Gasoline tax, corporation tax and profits of the Liquor Control Board will show decreases this year, officials intimate. These, with succession duties, are among the largest single items of revenue of the province. The budget allowed for reductions in all three. There is understood also to be a reduction in motor vehicle license fees, although this is uncertain.

The decreases allowed for in the budget on these items of revenues were:

Estimated Decreases in Ontario's Income From Chief Sources of Revenue*

Corporation tax	$ 211,000
Gasoline tax	1,240,000
Succession duties	†2,363,000
Liquor Control Board	3,760,000
Motor vehicles	132,000

*According to 1932-33 budget figures.
†Increase.

The largest reduction which is being experienced this year is in Liquor Control Board profits, it is understood. This agrees with the estimate.

The budget of Ontario for 1932-33 estimated ordinary revenue at $50,333,000. Ordinary expenditure was estimated at $53,285,000. Among expenditures, savings of $3,891,000 were budgeted for in departmental estimates. Nearly all of this was wiped out by estimated increase of $3,579,000 in public debt charges. Special expenditures were expected to be reduced $2,862,000, however. The total reduction in current expenditures was estimated at $3,174,000.

Against this estimated decrease in expenditures, the budget anticipated a drop in ordinary revenue of $4,065,000.

In 1931-32 Ontario had a surplus of nearly two million in ordinary account, but special expenditures on New York exchange, relief, rebate of taxes and adjustment of old-age pensions cost $4,062,944. Resultant deficit was $2,060,798. Special expenditure was expected to be cut to $1,200,000 this year.

Dominion, Ontario Loans Swelled June Bond Sales

Total for Month Highest in Four Years — Total for Six Months Lowest in Five Years — Canadians Bought All But One Issue

New bond financing of Canadian governments and municipalities was higher in June, 1933, than for the same month of either 1932 or 1931, according to Wood, Gundy & Co., Ltd., Toronto. The chief reason for this was the Dominion's refinancing of $60,000,000 of short term notes in New York. But even without this the month showed more financing than in June, 1932. Flotation of $25,000,000 of bonds by the Province of Ontario swelled the June total which was $89,852,097. Of this, the Ontario and Dominion loans accounted for 85 millions.

Outside the short term notes all the June financing was done in Canada.

In June there was a relatively small decrease in Ontario municipal issues, compared with June, 1932. But sales by Quebec municipalities dropped heavily.

June Financing Heavy

The importance of the June financing is clear when it is noted that over 70 per cent of Canadian bond sales in 1933 to June 30, were made in the one month. The total for the first six months of the year was $127,557,344. This is the lowest total for the same period in any of the last five years. The June total was higher than in any similar month in the last four years.

A striking feature of the compilation is that there have been no sales at all of Western municipal securities and no sales of Canadian government and municipal securities in England in the first six months of 1933.

Tabular arrangement of sales shows the following:

GOVERNMENT & MUNICIPAL FINANCING BY CANADIAN DEBTORS

To June 30 in—	1931 $	1932 $	1933 $
Dom. Govt. & gtd.	709,816,500*	....	60,000,000
Provincial direct & gtd.	125,152,205	67,291,336	49,959,000
Ontario municipal	32,094,277	25,738,160	7,282,528
Quebec & maritime municipal	39,905,200	46,101,600	10,315,816
Western municipal	11,379,363	3,699,066	......
	918,347,545	142,830,162	127,557,344
Sold in Canada	188,135,045	127,351,829	67,557,344
Sold in United States	88,396,000	2,000,000	60,000,000
Sold in England	2,000,000	13,478,333	......
Conversion loan	639,816,500	......	......
	918,347,545	142,830,162	127,557,344

* Includes $639,816,500 Conversion Loan bonds.

Month of June in—	1931	1932	1933
Dom. Govt. direct & gtd.	......	......	60,000,000
Provincial & prov. gtd.	34,010,000	6,447,666	27,659,000
Ontario municipal	1,420,037	1,865,313	1,206,497
Quebec & maritime municipal	12,546,200	14,493,000	986,600
Western municipal	134,289	90,000	....
	48,110,526	22,893,979	89,852,097
Sold in Canada	43,828,526	17,777,313	29,852,097
Sold in U.S.A.	4,282,000	250,000	60,000,000
	....	4,866,666	....
	48,110,526	22,893,979	89,852,097

Guelph Sells 5% Bonds on 4.898% Cost Basis

City of Guelph, Ont., has sold $47,887 of 10-year, five per cent debentures to Harrison & Co. at 100.80. The cost basis to the city was approximately 4.898 per cent.

This is the highest price received for a smaller-sized municipal issue for months. No less than 20 tenders were submitted to the city. This also is something of a record.

The keenness of the bidding and the high price received testify to the popularity of debentures of the older, well-financed Ontario municipalities.

The complete list of bids was as follows:

Complete List of Bids on City of Guelph 5 Per Cent Debentures

Harrison & Co. Ltd.	100.80
Wood, Gundy & Co. Ltd.	100.417
Harris, Ramsay & Co.	100.398
Bell, Gouinlock & Co. Ltd.	100.32
Dom. Securities Corp. Ltd.	99.657
Royal Securities Corp. Ltd.	99.433
McLeod, Young, Weir & Co. Ltd.	99.39
J. L. Graham & Co.	99.357
C. H. Burgess & Co. Ltd.	99.27
K. F. McLaren & Co. Ltd.	99.11
Fry, Mills, Spence & Co. Ltd.	99.08
A. E. Ames & Co. Ltd.	98.87
Fergusson, Turner & Co.	98.82
R. A. Daly & Co. Ltd.	98.776
Rogers, Lynch & Co.	98.42
Gairdner & Co. Ltd.	98.37
Cochrane, Murray & Co. Ltd.	98.25
Dyment, Anderson & Co.	98.08
Williams, Partridge & Angus	98.07
Dominion Bank	98.06

Waterloo Sells 5½% Bonds to Ames & Co. at 101.56

Town of Waterloo, Ont., has sold $6,294 of 5½ per cent 10-year debentures, and $5,626 of 5½ per cent 20-year debentures, to A. E. Ames & Co., Ltd., at 101.56. The cost basis to the town was approximately 5.35 per cent.

The complete of bids was as follows:

A. E. Ames & Co. Ltd.	101.56
J. L. Graham & Co.	101.397
C. H. Burgess & Co. Ltd.	101.07
Dyment, Anderson & Co.	100.68
R. L. MacKay & Co.	97.68

Tip Top Tailors Resumes Dividends

Dividend has been resumed on the 7 per cent cumulative preferred stock of Tip Top Tailors Ltd. with the payment on July 3 of $1.75 per share. Quarterly dividend due April 1 was not paid due to the uncertain outlook for business. Volume of business is reported to have shown good increase during the first half of 1933 although margin of profit is low. The company has not increased the price of its products although prices of woollen goods have gone up.

During June the company announced the purchase of Wm. A. Leishman & Co., Toronto, wholesale manufacturers of clothing for men. The business is being carried on as before independent of Tip Top Tailors Ltd. Supplementary letters patent have been obtained reducing paid-up capital by 2,500 common shares held by a subsidiary.

Expect Sale Marine Bldg. to Group for $1,000,000

Marine Building, Vancouver, owned by Stimson's Office Buildings Ltd., is reported near sale for $1,000,000 to an English syndicate. An option on the property has been given until July 10.

There is comparatively little public investment interest in this project. This particular Stimson company is not one of those in liquidation.

The sale price will not be sufficient to allow of any increment to the holders of the common stock of Stimson's Office Buildings Ltd., it is understood. These shares are held by Stimson parent organizations. Those in charge of the Stimson liquidation consider the stock worthless, The Financial Post is informed.

The British group is also projecting a $3,000,000 bridge in Vancouver, it is understood. Their organization is British-Pacific Buildings Ltd.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Guelph, Ont.	June 29	Harrison & Co.	5%	10-yr.	$47,887	100.80	4.90%
Wentworth, County of	June 30	Matthews & Co.	5%	10-ins.	113,605	100.224	4.95%
Waterloo, Ont.	June 30	A. E. Ames & Co.	5½%	10-yr.	6,294	101.56	5.26%
			5½%	20-yr.	5,626		
Provincial—							
Manitoba	July	Royal Bank, A. E. Ames & Co., and syndicate	5½%	1958	3,500,000	*93.50	6%
Dominion—							
Canada	June 28	Chase National Bank, and syndicate	4%	1934	60,000,000	99¾	....

*Offering price.

United Securities Feels Action of Mont. Tramways

From Our Own Correspondent

MONTREAL—Action of Montreal Tramways Co. in again reducing the dividend to a quarterly basis of $2 a share as compared with $2.50 a share paid regularly up until October last, is expected to be reflected in income of United Securities Ltd., which controls 38,336 out of 70,000 shares issued by the company.

United Securities control lies with Shawinigan Water and Power Co. and Montreal Light, Heat and Power Co. Last year the company received a revenue of $373,776 from its holdings in Montreal Tramway, or the equivalent of $9.75 a share. So far this year two dividends have been paid by Tramways, one of $2.25 and the other of $2 a share. If the latter rate is maintained throughout the balance of the year, United Securities will receive a revenue of $315,542 from its 38,336 shares of Tramways stock.

The income statement of United Securities for 1932 showed a net profit of $162,152 available for distribution on the common, or an amount equal to $3.16 a share as against dividend payments of $2 a share. A reduction in Tramways revenue for 1933 of $58,234, would amount to better than $1 a share on the 51,261 shares issued by United Securities. This would give United Securities an income of about $2 a share, or practically the equivalent to the amount now paid out in dividends.

Now Vice-President

E. W. BOWNESS

Who has been appointed vice-president of The Dominion Gas and Electric Co. and its various subsidiaries, for some years past has been a director of these operating companies and the manager of the electrical subsidiaries. He has wide engineering and public utility experience and has been actively engaged as a consulting engineer and manager of utilities in Eastern and Western Canada and in the United States.

Wentworth County Issue Sold at Cost of 4.95%

County of Wentworth has awarded $113,605 of five per cent, 10-installment debentures to Matthews & Co., Toronto, at 100.224. The cost of the loan to the municipality was approximately 4.95 per cent. Bond will be issued in $1,000 denominations.

The debentures were issued in connection with improvement of provincial highways in the county.

Bids were received as follows:

Matthews & Co.	100.224
R. A. Daly & Co.	100.077
Wood, Gundy & Co.	99.779
Gairdner & Co.	99.61
A. E. Ames & Co.	99.57
J. L. Graham & Co.	99.347
McLeod, Young, Weir & Co.	99.29

Bond Tenders

8 p.m., July 18, Drummondville, P.Q.—$78,000, 5½ per cent bonds, dated July 1, 1933, redeemable serially from July 1, 1934 to July 1, 1943. Joseph Marier, sec.-treas.

July 20, Separate School, Twp. of Calvert and District of Cochrane—$8,000, 5 per cent, 30-yr. debentures. Rev. Father Alex. Pelletier, sec.-treas. S.S.S. No. 4, Calvert, Iroquois Falls, Ont. (See announcement on page 2).

BOND INTEREST MET BY NEWFOUNDLAND

Loan from British Government Arranged by Commission

As predicted in The Financial Post of June 10, Newfoundland has completed arrangements for the payment of the bond interest of $2,600,000 due on June 30 and July 1.

Payment in full will be made through a loan of $1,850,000 arranged with the British Government by the Amulree Commission, at present investigating the financial condition of the Colony. In a statement to the press, the Prime Minister, F. C. Alderdice, stated:

"The Government have expressed their deep appreciation of this offer. While in ordinary circumstances it would not be proper for any addition to be made to the public debt of the Dominion, the Government consider that as matters now stand, with the royal commission present in the country and the expectation that its recommendations will result in the finances of Newfoundland being placed on a permanently stable basis, they are justified in acceptance—and the grateful acceptance—of the offer made."

$60,000,000 Dominion Notes Sold Through N.Y. Syndicate

Dominion Government has sold $60,000,000 of four per cent 15-month notes to a syndicate headed by Chase National Bank of New York. The new notes were oversubscribed in one day when offered at 99¾. Many holders of the maturing issue took the new notes in exchange, it is reported.

The notes are dated July 1, 1933, and may be redeemed on 30 days notice on July 1, 1934, or on the first day of any succeeding month until maturity. They are payable in lawful money of the United States and exempt from all Dominion taxes, present or future, except when beneficially owned by persons ordinarily resident of Canada.

Mr. Picobac Investigates Parliament Hill

"Politics," declared Mr. Picobac, "are a wonderful thing."

Several Members of the Press Gallery: "Oh! Oh!"

Mr. Picobac addressed his few remarks to a group of newspapermen in the Press Gallery Smoking Room, Canadian House of Commons, Ottawa.

"I've been in politics," continued Mr. Picobac. "I've run for reeve more than once, down there in Essex County. I've met men face to face. And I tell you, gentlemen, if you want to solve the problems facing Canada to-day : : : "

Some Members of the Press: "Hear, hear."

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ENGLISH ELECTRIC COMPANY OF CANADA, LIMITED

AND ITS SUBSIDIARY

THE CANADIAN CROCKER-WHEELER COMPANY, LIMITED

CONSOLIDATED BALANCE SHEET, DECEMBER 31st, 1932

ASSETS:—CURRENT ASSETS:				
Cash in banks and on hand	$418,388.26			
Guaranteed investment receipt maturing April 1, 1933	250,000.00			
		$ 668,388.26		
Investments, at cost (market value thereof $18,750.00)		22,502.00		
Accounts receivable, less reserve for bad and doubtful accounts		64,841.48		
Raw materials, work in progress and finished stock		123,609.72		
				$ 879,341.46
DEFERRED CHARGES:				
Unexpired insurance premiums, etc.				10,733.34
CAPITAL ASSETS:				
Land, buildings, plant, patent rights and goodwill:				
Balance January 1, 1932		$2,185,683.03		
DEDUCT—Excess of redemption price of 2,000 Class "A" shares over cost thereof applied in writing down patent rights, goodwill, etc.		70,267.15		
		$2,115,415.88		
ADD—Net additions during the year		6,509.94		
				2,121,925.82
				$3,012,000.62
LIABILITIES:—CURRENT LIABILITIES:				
Accounts payable and accrued liabilities				$ 35,691.86
RESERVE FOR DEPRECIATION				689,715.67
CAPITAL AND SURPLUS:				
As at January 1, 1932			$2,536,369.37	
DEDUCT—2,000 Class "A" shares purchased in 1932 and cancelled		$110,000.00		
Loss for the year ending December 31, 1932, before providing for depreciation of buildings and plant	$71,276.28			
ADD—Provision for depreciation	40,000.00			
		111,276.28		
Dividends on Class "A" shares for quarter ending March 31, 1932		28,500.00		
			249,776.28	
TOTAL CAPITAL AND SURPLUS			$2,286,593.09	
MADE UP OF—				
Capital Surplus			$2,040,000.00	
Profit and Loss			246,593.09	
				2,286,593.09
REPRESENTED BY—				
38,000 Class "A" shares without nominal or par value (Authorized 50,000 shares) callable at $55.00 a share on 30 days' notice.				
40,000 Class "B" shares without nominal or par value (Authorized 50,000 shares).				
				$3,012,000.62

Approved on behalf of the Board:
R. A. STINSON, Director
GORDON F. PERRY, Director

To the Shareholders:

We have examined the books and accounts of the English Electric Company of Canada, Limited and its subsidiary, The Canadian Crocker-Wheeler Company Limited for the year ending December 31, 1932 and have obtained all the information and explanations which we required; and we report that, in our opinion, the above Consolidated Balance Sheet as at December 31, 1932, is properly drawn up so as to exhibit a true and correct view of the state of the companies' affairs according to the best of our information and the explanations given to us and as shown by the books of the companies.

TORONTO, April 18, 1933.

PRICE, WATERHOUSE & CO.
Chartered Accountants

THE FINANCIAL POST

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TORONTO, JULY 8, 1933

BACK TO GOLD

THE World Economic Conference, in session in London, has provided but cold comfort for the monetary theorists whose ingeniously devised schemes for new currency systems have in recent years delighted the more gullible citizens. For the conference has made it quite clear that whatever modifications may be adopted in the international gold standard, it is that standard that will eventually be readopted by the nations of the world as basis for their national currencies and their international dealings. Most of the discussions at the conference, where they have centred on currency matters, have concerned the time and the circumstances under which the return to gold may appropriately be made and only a minimum of attention has been given to substitutes for the gold standard.

A general return to gold cannot be expected in the near future. It is generally agreed that such a reversion to a standard that served the world well in the pre-war years must await a general rise in prices; and must be accompanied by certain reforms in international monetary arrangements that will guard the gold medium against another breakdown in the future. One of these will probably be concentrating the ultimate authority in regard to gold use and gold shipments in the hands of governments or central banks. Whether or not the return to gold can safely be made if present tariff levels continue is a matter for debate.

An early readoption of the gold standard by all the nations of the world is not to be expected and it certainly will not follow quickly on the heels of the Conference adjournment. But the Conference will no doubt be able to outline the various steps that have to be taken in logical order before the nations again can and must adopt the only practical international monetary instrument that has yet been devised.

WHEAT ACREAGE CONTROL

PRAIRIE citizens and editors are puzzled by the lack of official information regarding Canada's participation in the wheat acreage plans presently being discussed in London.

The Edmonton Journal, for instance, in a recent editorial quotes despatches from correspondents of The Financial Post at Ottawa and London, England, telling the inside story of what has been going on in this respect, and sums up by saying "All this is very confusing and needs to be straightened out immediately."

The sequence of events seems to have been that in May the Prairie provinces set up a committee to consider ways and means of enforcing a policy of acreage control in Canada. On May 30 they declared themselves:

> "To pledge the support of their respective provincial governments to the principle of such curtailment of wheat production or control of exports, and to offer co-operation with the federal government in formulating plans to carry this principle into operation in Canada."

These views were passed to Prime Minister Bennett just before his departure for London and he was strongly urged to adopt this policy. The plan the premiers apparently had in mind was a statutory enactment something along the lines of the Roosevelt policy. No attempt was to be made to order a percentage reduction in wheat acreage, but compensation was to be offered on an acreage basis to all farmers who withdrew their land from crop. Since R. B. Bennett had from the outset taken the stand that this was a matter for provincial jurisdiction, these views were put forward by him at the London Conference as coming not from Canada so much as from the three Western premiers whom he undertook to represent.

No sooner had he started negotiations, however, than wires began to sizzle and the three Prairie premiers were deluged with an almost unanimous outcry from every corner of their constituencies. Newspapers, farmers, political friends seemed all unanimous that the fathering of such a plan meant political extinction and worse for the province which would sponsor it. Accordingly the three premiers were forced to send private cables to the Prime Minister disavowing their original stand and intimating that they did not really mean legislation but would content themselves with mere "moral support" of wheat acreage plans.

This then is the basis on which R. B. Bennett is making his overtures at London on behalf of Prairie premiers. It carries with it also a stipulation similar to that now urged by Australia that any acreage reduction on the part of exporting countries be only temporary and be met by a quid pro quo of lower tariff and quota bars on the part of importing countries.

Obviously the crux of the problem in perhaps all exporting countries except the United States, is how such an agreement would be enforced. Importing countries should not find it very difficult to keep their part of the bargain if they are serious and do not meet too much opposition from those at home. The alternative as put to the conference by Henry J. Morgenthau Jr., of the United States, is that that country would have no compunction about serving its own interests and would not hesitate to dump wheat on world markets at any price that could be obtained.

As stated editorially in The Financial Post two weeks ago, such an agreement, if treated purely as a temporary measure, and kept free from government bonusing as far as Canada is concerned, should not be objectionable, if it were successful in lowering even to a small degree the insurmountable barriers in countries which used to be excellent purchasers of Canadian wheat. It should not be considered though unless there are adequate guarantees on the part of importing nations to reduce tariff and quota barriers.

Judging from the strong editorial opinions being expressed against acreage control of any description throughout the Canadian west, it would seem the part of wisdom for the Prairie premiers to at least take the provinces into their confidence with as much despatch as possible and not leave them stewing in the fetid atmosphere of rumor and uncertainty.

CANADIAN CITIZENS

PUBLICATION this week of a census report entitled "Canadians and Other Nationals" by the Dominion Bureau of Statistics, should do much to set at rest the perennial controversy as to the legal status of "Canadians." The bulletin contains for the first time a complete analysis of the nationality of the people of the Dominion, analyzed according to birthplace and country of allegiance.

The new grouping has arisen from the need for an official definition of the term "Canadian citizen" as distinct from a "British subject." Thus the new census gives effect to the broader meaning of the term as set forth in the 1927 statutes of Canada.

Previously, for instance, a British subject who was domiciled in Canada for five years or more would have been considered a Canadian citizen under the strict legal interpretation of the Immigration Act, but under the census groupings such a person would have been grouped under the heading "British born" unless actually born in Canada.

The new census report shows that in 1931 in addition to the 8,052,459 Canadian-born residents of this dominion, there are also 1,044,791 British born citizens who have lived here for five years or more, and 614,971 foreign born people—all of whom can qualify as "Canadian nationals." This makes the total number of official "Canadians" in the Dominion, 9,712,221, or approximately 97 per cent of the total population.

Subsequently the Bureau is pursuing this new study to ascertain how many Canadians there are in other parts of the world. It is known for instance that in 1930 there were 1,278,421 persons residing in the United States who had been born in Canada and of these 368,557 had retained their Canadian citizenship. Eventually a compilation will be made showing the total number of Canadians in the world.

In light of Canada's increasingly important participation in the historic events of the past two decades, the information seems a little slow in being made available. Now that it's here it behooves these 9,712,221 "nationals" to be worthy of their official designation "Canadian citizen."

CANAL TOLLS IN CANADA

THAT doughty champion of many radical reforms and policies — The Winnipeg Free Press — takes issue with the stand taken by The Financial Post and an increasing group of periodicals, in regard to canal tolls in this country.

The Free Press believes the complaint that canals are maintained at public expense, does not hold water in the face of the tremendous amounts of public money which have been expended from time to time to construct, subsidize and maintain the steam railways. It points to the 47,000,000 acres of public domain; the cash subsidies of $223,000,000; the bond guarantees outstanding of $731,000,000 which have been lavished on railways, as an indication that the steam roads have never begun to depend on their own resources. Against this it stresses that on a $5 per acre basis the whole cost of the canals is only equal to the land grants given the railways and that the money saved the rails in annual interest charges through government guarantees is more than the annual cost to the country of interest and maintenance charges on the canals.

Critical examination of this argument reveals its weaknesses.

For one thing it is obviously unsound to justify free canals merely because millions of dollars have been poured into steam railways. The most elementary student of Canadian affairs knows well the millstone qualities of the national railway debt—much of it acquired through unnecessary over-expansion and duplication; through political and constructional racketeering and unsound branch line development. The very fact that we have been profligate in our railway expenditure might indeed be an added argument for care, caution and sound common sense in the development and use of our canal facilities.

In the early days of this dominion there is little doubt that sound projects for improving transport facilities both on land and water, merited public support. The backbone both of our transcontinental railways and our Great Lakes canal system was laid in these pioneer days—and, incidentally, through almost this entire pioneer period (until 1902) canals were supported by the imposition of tolls which netted the Government about 50 per cent of the out-of-pocket expenses of operation. But during this early period and in fact until 1917, less than one-sixth of Government aid to railways (exclusive of land grants) and only one-quarter of federal expenditure on canals was contracted.

Since that date Governments have aided railways to the tune of $4,600,000,000 and as a result the intervening years have found a Senate Committee and a Royal Commission spending much time and money to find a solution to an increasingly critical problem and to curb if possible this ghastly drain on public funds. Canal expenditures in the intervening period have totalled nearly $190,000,000 without any return from users either toward maintenance or capital charges and yet objection is made by our Western contemporary to a plea that the Government attempt to put these facilities also on something approaching a reasonably sound basis.

The other consideration advanced by the Free Press is the character of the freight carried through the canals which it describes as "mainly primary commodities which are the basis of the economic life of the country."

While it is true that the most important single item passing through the canals is wheat, it is also true that with the opening of the new Welland Ship Canal the type of commodity carried through the canals is changing considerably and an increasing volume of manufactured goods, gasoline, petroleum, and merchandise are using the waterways.

A reasonable plan for charging tolls on canals would in all probability give a preferential rate to wheat in view of the dominant rôle it plays in Canadian economy, but that it should travel free through a $200,000,000 canal system is little more justified than that the Government should provide free elevator storage, free flour mills to grind the farmers' wheat and free steamship service to take it out to sea. Figures published recently by The Financial Post in this connection, revealed that at the present time every bushel of wheat passing through the government-owned canal system on the Great Lakes-St. Lawrence Waterway is bonused at the rate of approximately five cents a bushel by reason of free canal facilities.

The need for a thorough review of the question of canal tolls and facilities in Canada becomes increasingly important in relation to the St. Lawrence Deep Waterway. As long as Canada pursues a carefree, uneconomic policy toward existing canals, there is no economic curb either as to costs or consequences, to prevent the pouring of additional millions into further development of the St. Lawrence. If the economic cost of existing canals were measured, the same yardstick could be applied to the St. Lawrence development — and this—amazing as it may seem—has never as yet been done by any governmental body in Canada.

BACK HOME

A CANADIAN citizen motored through a little Ontario village the other day and was struck by the natural beauty of the place. He thought to himself how attractive this community could be if intelligent planning were undertaken to ensure orderly, artistic growth.

Then he bethought himself of the many boys and girls who must have grown up in this quiet village and gone out to the larger cities of the dominion and the continent to achieve fame and fortune for themselves. Our citizen mused that it would be a fine thing for that little community (and for many hundreds of others like it) if some of the successful boys and girls would take thought for their childhood home and make some tangible contribution for its future welfare and development.

Of course there may be difficulties. Small communities are often unappreciative of gestures of goodwill from those who would and could assist them. Too often there is indifference, little thanks and much opposition and criticism.

At any rate the experiment is worth trying. In return for the dividends of "appreciation" and "good work well done," the capital outlay will be small.

Perhaps the home town you have in mind is the very place which started our citizen thinking.

EDITORIAL NOTES

Stock markets have enjoyed a boom despite bearish opinion of many, and poor earnings statements. Wiseacres say this is logical stock market action.

* * *

Paper money is the thing nowadays. And when economists reckon "natural currency parities it is pencil and paper money.

POST-scripts

SO MUCH misinformation has been circulated on current economics that it is to be wondered if the "man-in-the-street" has any idea of what is going on. For that matter some of the so-called experts are not sure themselves. Care should be taken in disseminating news on developments to put the material in such form that it can easily be understood.

A Montreal paper recently came out on the streets with an eight column "streamer" across the front page saying "May Pay Dollar to the Pound." St. James Street was greatly excited until a second edition came out saying "May Peg Dollar to the Pound." That was another story.

HARD times were experienced a hundred and fifteen years ago. We have all been told that in the past few years.

The latest story from the past which reads as if it had been written today is the following editorial reprinted by the New York times from the Middlesex Gazette, published at Middletown, Conn. The editorial appeared on December 24, 1818.

"One can scarcely turn a corner of the street without encountering some one who is exclaiming against the hardness of the times and the scarcity of money. Ever since the conclusion of the late war these complaints have been familiar to all, and yet they seem to have increased with the time which has elapsed.

"This people had fattened upon the distresses of Europe. So easy was money to be obtained that many, very many of us, had anticipated years of growth, and in childhood began in business which required the nerve and wisdom of manhood to prosecute to advantage. Instead of governing ourselves by the maxims of prudence, we have grasped at the emoluments of futurity, calculating upon a prolongation of the miseries of the Old World as a sure guarantee of the prosperity of the New. Governed by this fatal delusion, we have become involved in debt and are now reaping the fruit of our folly.

"Before the good old times will be restored to us, we shall have to reform our habits. When we shall have renovated these, when instead of depending on the arts of speculation, the chicanery of the law, or the emoluments of office for support, we shall have laid hold on industry and economy as the means of subsistence, then shall we begin to free ourselves from the burthens which now weigh so heavily, upon us."

New Books

Monetary Problems of India

The complications of Indian currency and banking since 1818, when the East India Co. established the beginning of the silver standard, are sketched briefly in this book by L. C. Jain. The larger part is devoted to analysis of the weaknesses of the banking and monetary systems, which give the Indian financial system great disorder.

A suitable form of gold standard, and a uniform currency system, is the principal recommendation for monetary reform in India. Banking comes in for many recommendations because of the wide variety of the business which is carried on in the country. "India is not altogether lacking in the elements which go to make up a sound banking system," says Mr. Jain. "There do exist in the country indigenous bankers, co-operative societies, commercial banks, exchange banks, savings banks, investment securities, even some bills of exchange and three stock exchanges, but they all need to be greatly developed and well organized. The author recommends a reserve, or central bank, particularly to assist in establishment of a money market.

Commenting on the lack of banking statistics in India, Mr. Jain says all the statistics published are usually two years out of date at the time of publication. There are no statistics available on most small banks. This situation, he thinks, should be remedied in order to assist efficient operation of Indian banking. Published by Macmillans, $3.00.

Other Peoples' Views

Mr. Weir Shuns Press

Regina Leader-Post.—When Hon. Robert Weir, Minister of Agriculture, was in Regina the other day he sent out word that he was too busy to see the press.

This was Mr. Weir's first visit to Western Canada in several months and the press, not unnaturally, expected that he might have something to say about current events, including the World's Grain Show in which Mr. Weir is deeply interested, and to which the newspapers have been giving much free publicity.

In being too busy to see the press the Canadian Minister of Agriculture places himself in a class apart from Prime Minister Ramsay MacDonald of Great Britain, President Roosevelt of the United States, Mr. Lloyd George, Premier Mussolini, His Grace the Archbishop of Canterbury, and many other world figures who can always find time to see the press and say something of interest.

Sayings of the Week

"In England a banker is almost not allowed to make a fortune. He soon found himself out of a job if he gambled in the stock market, engaged in business outside his bank or undertook to tie himself up with outside groups. It is considered that he is paid for what he does—paid rather well. Sometimes he is even rewarded with a peerage. But it is not the place to make a fortune." — Prof. A. A. Berle, member of Roosevelt "Brain Trust" and Professor of Corporation Law at Columbia University.

"The damage was done in 1927. Money was made too easy by the Federal Reserve. Early in 1929 the Chicago Federal Reserve tried to raise its rate but the Reserve Board at Washington forbade it." — Otto Kahn, Kuhn Loeb Co.

"In times like these we find arising in some quarters a fear of science and its effect upon us. We hear that there should, perhaps, be a holiday in the field of research and in the application of science. Such theories should not slow up the advancements of science. Evidence on every hand of man's progress through science and engineering is sufficient cause for our energies to be ever increased."—Dr. H. P. Charlesworth, vice-president of the Bell Telephone Laboratories.

Arguments Strong For "Gold" Standard

But New Régime Will Require Well-informed Public Opinion and "Conscious Co-operation"

From The London Times "Gold" Number

It would indeed be difficult to overrate the historical importance of gold in the economic and cultural history of the human race. From whatever angle we regard it the influence of gold on human behavior has been immensely significant.

There are even those who maintain that it was one of the principal causes of the decline and fall of the Roman Empire, but be that as it may, for how much of modern history has it not been a decisive factor?

Who but for the yellow metal would have heard of proud Cortez, or Sir Francis Drake? and what without it would have been the story not only of the Americas but also of Australia and South Africa? Nor must its significance be confined to the grosser externals of history. How much the poorer would have been the literary and artistic heritage of mankind without it is immediately apparent as soon as we reflect how rich are the associations of the words "gold" and "golden" in the known literature of every language, and how wide the use of the precious metal in the decorative arts.

Two Qualifications

This immense significance seems to be derived principally from two circumstances, the physical properties of the metal and its scarcity, the combination of which has rendered it almost uniquely suitable as a store of value and as a medium of exchange. For besides its attractive appearance, gold is malleable and ductile in a high degree, and its chemical character, which makes it susceptible to corrosion only by means of a concentrated mixture of the most powerful acids, nitric and hydrochloric, appropriately named aqua regia, renders it particularly durable, while its comparative scarcity makes it immune from depreciation, since scarcity is the source of all value.

Hence the continuous utility of metallic money throughout the ages, which has survived the downfall of empires and the destruction of whole civilizations. Only during the last 100 years through the transition from a hoarding to a credit economy has the fundamental importance of gold as a means of payment tended to disappear into the background, and the metallic coin been supplanted by a much more complicated monetary arrangement known as the gold standard, which is really a very recent institution.

Facilitates Business

The gradual evolution of the gold standard pari passu with the development of banking has facilitated the production and exchange of commodities in a way which would have been quite impossible had metallic gold (or silver) remained the only means of payment.

In all economically advanced countries the vast majority of payments are made today not in coin or bullion but in credit instruments such as cheques, bills of exchange, and bank notes, the value of which depends in fact not upon their being covered by metallic assets but on their scarcity. Were all the gold in the world destroyed tomorrow there is no intrinsic reason why currencies should lose their value. But as the value of these credit instruments is ultimately based upon their scarcity, it has been found convenient to limit their production by basing it on some relation to existing stocks of the precious metal.

Moreover as each sovereign state has complete control of the credit instruments in its own country, the validity of which is limited to its own frontiers, it is of the first importance that there should be some means of payment which is universally acceptable in order that international balances may be settled without disturbing the parity of exchange between the different national currencies. Here gold as an anonymous asset, the value of which is not dependent upon the credit of any government or bank, is of the highest importance, and though it may be possible in theory to maintain stable exchanges without it, the convenience of gold reserves as a technical instrument of exchange regulation is so great that the world is not likely to dispense with them. For under a gold standard these metallic reserves play an important part in keeping the monetary mechanism if not fool-proof at least knave-proof by preventing an excessive expansion of credit and by acting as a sort of pressure gauge or indicator which enables the price levels of the various countries to be kept in step with each other and their exchanges to be kept stable.

Distorted After Great War

Unfortunately, during the post-war decade this ingenious and delicate monetary system has been distorted with grave consequences to every country in the world. But the fault lies not in the gold standard as such but rather in the economic misuse to which it has been subjected on account of reparations, war payments, prohibitive tariffs, and ill-judged and spasmodic capital movements. So long as these abuses are permitted to continue, it is idle to seek stability in any monetary standard, whether gold, bimetallic, or paper. Nor is there any real justification for the view that the disastrous fall in prices during the present depression is really due to a dearth of gold.

The connection between gold and prices is not so easily to be interpreted, though there can be little doubt that the maldistribution of the world's gold resources, due to hoarding on the part of central banks, has been a major factor in the present depression both as an originating cause and as a morbid symptom. There is plenty of gold today to support a much higher price level than the present. During the past two years the premium on gold due to the desertion of the gold standard by one country after another has added very considerably to the monetary stocks of the metal by extracting the hidden hoards of India and stimulating fresh production, and the exploitation of new supplies, as, for example, in Kenya. Meanwhile, the fall in prices has enabled central banks to accumulate reserves which have a sufficiently large margin for credit expansion.

Not Unworkable

There is nothing, therefore, in the nature of the gold standard as such which has caused it to be either obsolete or unworkable, and one of the most important tasks of the World Economic Conference will be to prepare a way for the return to exchange stability through the rehabilitation of the gold standard.

But it will not be the gold standard of the post-war years. The experience of the past decade has shown clearly enough that a monetary system cannot be treated as a piece of automatic mechanism which can be left to work without reference to other factors in the economic life of the world, and the new gold standard must be something different from the old. For the successful management of the gold standard implies much more than mere stability of exchanges; it requires also a conscious effort of international co-operation to prevent such arbitrary variations in the value of gold as have been permitted to take place since the war. That conscious effort can only be brought about through the agency of well-informed public opinion.

It is Revolution

An Editorial in The National Sphere, Washington

It would be foolish to apply economic tests to the programme which the administration has adopted. It runs counter to all the theses which have hitherto been accepted in this country. It is revolution.

At London, the American delegation proposes what is the equivalent of a new world order. At home, the industrial cosmos is divided into guilds, a primary purpose of which is to redistribute the profits of production, penalizing capital and management in favor of labor. Moreover, the power to tax, originally conferred on the Government for the sole purpose of paying its legitimate expenses, is diverted to constitute a capital levy wherewith to socialize employment. The public revenue is diverted to subsidize farming. Banking is centralized by compulsion and brought under federal control.

Challenge of Depression

It may be that civilization has become too complicated to be loosely managed. Certainly, the depression of recent years has been a challenge to the intellectual capacity of mankind. Some billions of accumulated capital have been set aside for the conduct of our universities. The investment has possibly been a satisfactory one, if measured in the attainments of science. It was only to be expected that, in mobilizing its resources, the nation should seek to capitalize its thinking assets. They are potentially of greater worth than all our material possessions combined.

There is no hope in defeatism. The new order is not something created by Mr. Roosevelt. He is the agent through which the masses work. The war broadened human vision, and the improvement of mechanical processes, particularly in the realm of communication, so raised the standards of living as to make necessities of luxuries. The humble have caught a glimpse of heaven and cannot be induced to take service in hell.

Practical Men Sceptical

We do not question, therefore, the objectives of the administration. No man worth his salt would decline to make sacrifices, in fortune and service for the general benefit. Practical men are sceptical, nevertheless, of the speed of the experiment. Are we within two thousand years of the supermen whose management a controlled economic order will require? Can this powerful bureaucracy, however sincere in its beginnings, be trusted to manifest permanently that high character which, combined with superb ability, is requisite if good results are to be obtained? What political freedom will be left? What liberty? Those who control men's incomes control their votes.

We could risk the bureaucracy, however, if assured of its efficiency. A Government that could provide fairly continuous economic well-being could and would be excused for other shortcomings.

Progress Has Been Slow

That civilization has been stupidly conducted is self-evident. There has been very little progress in either Government or finance. Both have been static and engaged in ancestor worship. Neither has kept pace with the general advancement that tend to life humanity from the gutter. Only Governments have been slow to recognize that this is a new dispensation. The change has come in the hearts and minds of men, in their outlook, in their desires. Familiarity has bred in them a contempt for many of the accepted practices. They have tasted emancipation and they like it.

In this grand march into the unknown, special decisions are of only incidental importance. Repudiation of the gold clause is merely one item in a general programme of repudiation, which includes repudiation of older methods and practices in all forms of activity.

This is a second Renaissance and the yesterdays were the Dark Ages.

"The age of chivalry is gone; that of sophisters, economists and calculators has succeeded." But the age of chivalry was the age of slavery, and the economists, still too inexact in their calculations, have aided to bring about a world wherein the humble enjoy luxuries that kings might have envied. We do not fear the economists, but we dread the sophisters. We fear the idealists who want to jump too fast.

Once begun, the new order can end only in success or chaos. There is no middle ground. Let all men, then, be good soldiers. The die has been cast and the marching orders given. Let us hope that we face progress and not just change.

In the Mail

Civil Service Economies

Editor, The Financial Post,

With regard to your recent editorial on civil service economies, I may say that I am heartily in accord with your views on this subject.

I would like to outline one instance among the many that are being enacted to illustrate the careless manner in which public money is being expended by extravagant executive administration.

A short time ago the Minister of the Interior stated that the National Development Bureau of his department was to be abolished. To a certain extent this has been carried out, as about one half of the remaining staff have been retired. The remainder, however, consisting of about thirty-five of the higher paid members of the bureau, are in process of being placed in the Parks branch of the Interior, the Department of Trade and Commerce and the Department of Mines.

The salaries of these officials approximate $90,000 per annum. Apart from this heavy outlay of public money for positions in a large measure unnecessary, the practice of dumping clerks of disbanded branches into other departments and branches of the service is demoralizing to the morale of the service generally and destructive to the true system of promotion.

In view of the instructions issued only a short time ago that all branches of the governmental service are to cut their expenses to meet the $14,000,000 shortage of revenue, how is it possible that this group of officials has been quietly distributed in the branches and departments above mentioned, which are no doubt already fully manned. Furthermore if highly-paid technical officers are really required why are they not obtained by competitive examinations?

At a time when drastic economies are required how can such acts of officialdom be justified? The departments concerned and the civil service commission also should be asked to explain these expenditures of public money and the extraordinary method employed in the selection and transfer of these officials to the positions they are to fill.

F. W. BRANDER,
120 Frank St., Ottawa.

Move to Force Autoists to Carry Passenger Cover

Quebec Safety League, which recently sponsored compulsory insurance for taxicabs, will now ask that all those who carry passengers from one city to another by mutual arrangement on an expense sharing basis be also compelled to carry insurance to protect their passengers.

The League feels that while the arrangement of sharing the cost of the trip is an excellent one the fact remains that the driver and owner of the automobile being used is converting himself into a public carrier and that his passengers, generally strangers to him, should get the same protection they would from a taxi or other public transportation company.

For the Business Man

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Business Conditions in Canada

The Week in Business

Western Market Prospects

MANUFACTURERS and wholesalers would like to think that the recent spectacular increases in the price of wheat at Winnipeg will be held until the new crop is marketed and the improvement in outlook translated into actual buying power. But the fact that the increase has carried Canadian prices above the export point is not very encouraging. Undoubtedly, however, the indication that better prices might prevail in the fall has provided an added spur to business and it now only remains for the prairies to gather at least an average crop to create an extensive market.

Current prairie income from livestock and what grain remains in farmers' hands is undoubtedly running ahead of last year. Figures compiled by the W. Sanford Evans Statistical Service, Winnipeg, show that farmer income in April drawn from wheat, other grains, livestock and butterfat amounted to $6,962,682 as compared with $5,902,486 a year ago while May estimates for wheat and butterfat are considerably ahead of the same month a year ago.

Throughout the rest of Canada, business continues upward, according to all reports. Textile and boot and shoe manufacturers report boom levels of business. Recent reports on the construction industry, including the highest value for July for contemplated construction in two years and a number of factory alterations and additions scheduled, indicates more activity in the current month. This, and activity in lumber and mining camps, is helping considerably to reduce the unemployment burden. Summer slackness is less in evidence than usual and it may be that, following a late start, activity will be carried on throughout the year.

* * *

Brighter Business Brief

ONE item in the current issue of the Dun & Bradstreet weekly review of Canadian business certainly indicates increased industrial activity and more employment. The item in question reads: "Demand for work shirts and work clothing continues unabated, with factories many weeks behind in their deliveries."

* * *

Loadings Better 1932

FOR the first time this year, a weekly total of car loadings is greater than the corresponding week of 1932, loadings in the week ended June 24 amounting to 39,827 cars as compared with 39,302 in the week ended June 25, 1932. Although the increase of 525 cars is not a large one it is distributed among almost all types of commodities handled, the chief increases being in lumber, other forest products and ore.

With the exception of grain and coal, commodity loadings on railroad cars increased in the week ended June 24 over the totals of the previous week. Increases in coke, lumber, pulpwood and livestock indicate increased activity. L. C. L. merchandise and miscellaneous freight fell off slightly, and were the only two groups to record smaller totals than in the corresponding week of 1932.

* * *

Failures Fewer

WHILE commercial failures, unless combined with the amount of liabilities, are not considered a wholly reliable index of business conditions, nevertheless the continued decline in the number of failures reported this year compared with last is significant. In the first six months of this year failures under the Bankruptcy Act have numbered 882 compared with 1,029 in the same period of 1932 with every province with the exception of Nova Scotia reporting a decline.

Construction contracts awarded in June show a very good improvement when compared with the previous month, particularly in view of the fact that the general seasonal trend between the two months is downward. Residential building is the leader, this type of construction holding the level of 1932. Business and engineering construction show the chief losses from a year ago with less than half the June, 1932, total in each case.

IRON AND STEEL SHOWING SIGNS OF IMPROVEMENT

Large Rail Orders With Government Backing Arrive

Receipt of a steel rail order by the Dominion Steel & Coal Company from the South African Government in the last week of June was an event of more than passing interest to the iron and steel industry of the Dominion. The order serves to illustrate two specific points: one, that Canadian mills can compete on a quality and price basis with those of the United Kingdom and other old-established countries; and two, that during the present slack period the industry is eagerly looking for every chance to keep its plants active.

After operating at only 10 per cent of rated capacity during 1932, Canada's steel mills have slipped further back during the first five months of the current year, production in these months being only about 60 per cent of the total of the same period of 1932. During May, however, there were signs that some revival was in the offing. Two orders for rails from the Dominion Government, one of 50,000 tons to Dosco and one of 30,000 tons to Algoma Steel were placed as relief work. Under the plan the Government guarantees the bank advance required to cover manufacturing costs, and pays the interest at 5 per cent, and will purchase the rails as required at $44 a ton. The above mentioned order for 3,500 tons of rails from South Africa is, however, the first cash transaction.

Orders from small tonnages have risen steadily since the beginning of the year. For some time these orders were handled out of stock and latest reports are that stocks will now have to be replenished. Preparations for the resumption of activity by some plants which have been temporarily closed have been noted, according to the Dominion Bureau of Statistics.

Actual production of pig iron in Canada in 1932, at 134,130 tons was less than 10 per cent of the total rated capacity of the blast furnaces of the country. Normally, there are four producers of pig iron in Canada but one of these concerns did not operate blast furnaces during 1932; these four companies have 11 blast furnaces available for use, which if operated at capacity could produce 1,500,000 tons of pig iron per year. In 1931, production totalled 420,038 tons and in 1930, 747,178 tons.

Production of steel ingots and direct steel castings totalled 379,346 tons in 1932 a decline of about 50 per cent from the 1931 output of 672,109 tons. Practically all the ingots were transferred to the producers' own rolling mills.

Sales of products by the primary iron and steel industry in Canada in 1932 totalled $16,197,526 compared with $36, 911,245 in 1931 and over $72,000,000 in the peak year of 1929. With the exception of less than $1,000,000 production in 1932 took place in Ontario, Quebec and Nova Scotia. Ontario value amounting to $10,239,000 and Quebec and Nova Scotia to approximately $2,500,000 each.

Actual number of employees in the industry was 4,847 in 1932 compared with 8,026 in 1931, and nearly 10,000 in 1930. About 217 workers were employed in blast furnace departments, 147 in ferrous alloy plants, 1,478 on steel furnaces and 3,055 in rolling mills. Salaries and wages for the year totaled $6,131,057 as compared with $11,072,054 in 1931, and a peak for the industry of $18,534,681 in 1929.

Motor Vehicle Financing Higher by 50 Per Cent

Amount of financing of new and used motor vehicles in May at $3,093,469 was almost 50 per cent greater than the April total but compared with $3,787,512 in May, 1932, a decrease of 18.3 per cent. Financing of new cars totalled $1,459,727, almost 28 per cent below the May, 1932, total while financing of used cars at $1,633,742 was only 7.4 per cent less than in May a year ago.

Motor vehicles financed in May numbered 7,432 compared with 5,544 in April and 9,615 in May a year ago. Of the May, 1933, total 2,315 were new cars and 5,117 used cars, new cars being down 27 per cent from May, 1932, and used cars 10.6 per cent.

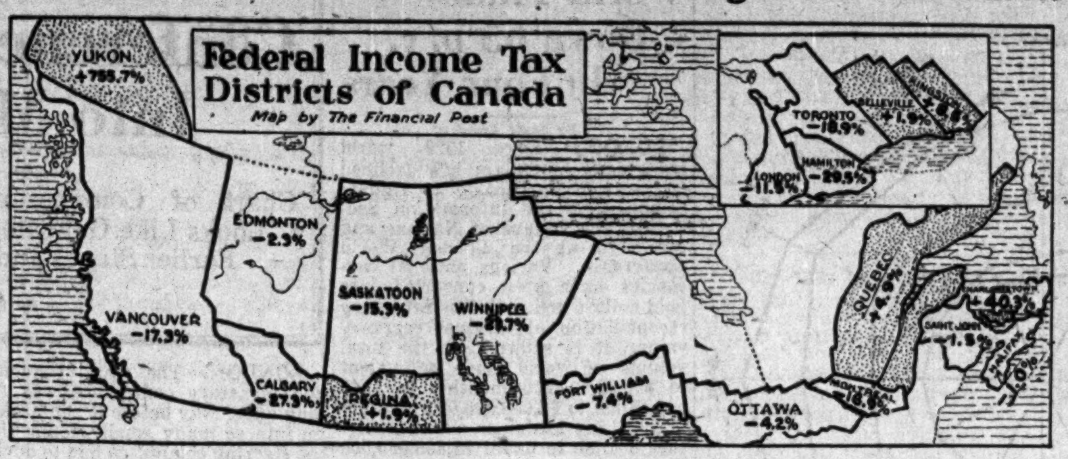
Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1933	1932	Cumulative Jan. 1 to date 1933	1932
Transportation—				
Car loadings, (June 24)	39,827	39,302	865,576	1,040,574
C. P. R. gross earn. (June 30)	$ 3,421,000	$ 3,387,000	$ 48,882,000	$ 55,825,000
C. N. R. gross earn. (June 21)	$ 3,217,050	$ 3,197,567	$ 58,452,916	$ 69,827,769
Monthly				
C. P. R. net earn. (May)	$ 975,809	$ 737,364	$ 2,811,753	$ 3,673,263
C. N. R. net earn. (May)	$ 193,206	$ 431,030	$ ‡3,964,877	$ ‡115,545
Iron and Steel—				
Pig iron, tons (May)	nil	13,339	35,353	69,038
Steel, tons (May)	23,126	29,239	98,862	162,370
Automobiles prod., No. (May)	9,396	8,221	30,939	32,557
Auto Vehicles—				
Passenger sales, No. (Apr.)	5,494	5,421	13,023	14,230
Trucks & buses, sales, No. (April)	593	1,073	1,388	2,661
Auto exports, No. (May)	2,729	374	6,415	2,317
Construction—				
Building permits (May)	$ 2,002,309	$ 5,488,845	$ 6,570,341	$ 19,312,718
Contracts (June)	$ 8,086,200	$ 12,154,700	$ 32,912,300	$ 74,761,200
Newsprint—				
Production, tons (May)	171,776	175,890	722,762	842,880
Exports, tons (May)	168,718	151,758	655,086	777,551
Sugar—				
Imports, raw, lbs. (May)	81,229,600	98,571,500	173,296,700	268,251,800
Melt. & ship., lbs.*	93,413,740	75,005,015	279,273,651	282,554,851
Manufactured, lbs.*	89,254,010	73,721,634	279,958,566	000,000,000
Flour—				
Production, bbls (Apr.)	1,013,486	993,385	3,722,279	3,740,470
Wheat flour exp., bbls. (May)	565,050	461,567	2,020,155	1,801,355
Other Industrial Indices—				
Lumbering: Plank & board exports, mill ft. (May)	75.69	62.94	247.78	297.30
Boots and shoes, pr. (Apr.)	1,442,020	1,523,492	5,103,681	5,914,305
Petroleum, imp. crude, gal. (May)	83,981,157	109,518,026	142,145,778	337,029,615
Cotton, imp., raw, lbs. (May)	8,111,000	12,463,000	33,326,000	45,617,000
Rubber, raw, imp. lbs. (May)	3,817,398	3,170,767	12,850,876	20,322,659
Coal, imports, tons (May)	936,596	1,089,887	2,807,781	3,432,136
Gasoline sales (Mar.)	26,416,000	26,913,000	76,805,000	79,140,000
Trade—				
Imports (May)	$ 32,926,530	$ 44,361,312	$ 134,189,694	$ 201,304,406
Exports (May)	$ 45,576,337	$ 40,476,404	$ 160,126,164	$ 181,951,221
Wheat exports, bus. (May)	21,464,846	15,543,013	66,369,905	52,347,645
Labor—				
Employment Index (June)	80.7	89.1	......	......
Electric Power—Output—				
M. Kilowatt hours (May)	1,348,807	1,273,519	6,711,140	6,747,850
Finance—				
Failures, No. (Mar.)	190	208	617	667
Failures, Liabilities (Mar.)	$ 3,102,000	$ 3,399,052	$ 11,098,929	$ 11,108,423
Bank debits† (May)	$ 2,649,625	$ 2,175,184	$ 10,212,854	$ 10,334,208
Bond sales (June)	$ 90,253,692	$ 20,759,081	$ 128,830,417	$ 161,665,121
Insurance sales (May)	$ 30,497,000	$ 30,998,000	$ 145,720,000	$ 177,570,000
Automobile Financing:				
Used cars (May)	$ 1,633,742	$ 1,768,926	$ 4,670,841	$ 5,754,555
New cars (May)	$ 1,459,727	$ 2,023,586	$ 4,433,923	$ 6,031,731

*Four weeks period, May 27 to June 17. †(000's omitted). ‡Deficit.

Eastern Canada Makes Best Showing in Tax Returns



Tax receipts for the first two months of the 1933-34 fiscal year show a drop of 16.7 per cent from the same period 1932-33, only six of the 19 districts reporting increases. Chief gains occurred in Eastern Canada although Regina returns were higher than a year ago.

Tax Returns Mirror Buying Power Decline

Two Months' Returns Down 16.7 Per Cent Despite Higher Schedule—Six of Nineteen Districts Gain — Total Well Below Expectation

Maritime Provinces, Eastern Quebec and Eastern Ontario are the districts in Canada which have suffered least from reduced income, according to an analysis made by The Financial Post of current Canadian purchasing power as revealed by the 1932 federal income tax receipts. Only six of the nineteen districts into which Canada is divided for purposes of income tax collection showed greater receipts in the first two months of the fiscal year than in the same period a year ago despite generally increased taxation through lower exemptions.

Each month the Department of National Revenue at Ottawa compiles income tax returns according to districts. Since first installments on income tax are payable not later than April 30 each year, it develops that the bulk of income tax is paid during the first two months of the fiscal year. Prior to 1932, between 70 and 80 per cent of the annual total was paid in these two months but in 1932 slightly less than 70 per cent was paid and this year it can be assumed that the proportion is even less.

Receipts Down 16.7 Per Cent

Returns for the first two months, now available, show that receipts are 16.7 per cent less than in the same period of 1932, although corporation and individual income tax schedules have increased. The total return is $35,308,702 compared with $42,366,139. It was estimated when the budget was brought down that the increased taxation would return to the Government about the same amount as in 1932-33 but the figures show that, unless payments are much behind former years, this will not be the case.

Comparative figures for the first two months of the present and previous fiscal years, are as follows:

Federal Income Tax Receipts, By Districts
(First two months of fiscal year)

	1933 $	1932 $	Change %
Charlottetown	61,298	43,689	+40.3
Halifax	604,493	674,023	−1.0
Saint John	415,332	421,863	−1.5
Quebec	755,536	719,955	+4.9
Montreal	11,656,327	14,020,547	−16.9
Ottawa	2,178,047	2,272,393	−4.2
Kingston	113,103	104,248	+8.5
Belleville	293,410	287,952	+1.9
Toronto	9,785,423	12,069,969	−18.9
Hamilton	2,364,215	3,356,369	−29.5
London	3,271,649	3,695,238	−11.5
Ft. William	112,546	121,551	−7.4
Winnipeg	992,704	1,301,843	−23.7
Regina	126,008	123,701	+1.9
Saskatoon	79,172	93,490	−15.3
Calgary	490,746	675,047	−27.3
Edmonton	215,401	220,566	−2.3
Vancouver	1,789,313	2,163,229	−17.3
Yukon	3,979	465	+755.7
	35,308,702	42,366,139	−16.7

Chief value of these returns lies in the fact that they give, for the first time, some indication at least of the comparative changes in buying power of the economic areas of the Dominion. Returns for 1933, of course, are based on 1932 income. Since income tax schedules have been increased this year compared with a year ago, it is not possible to use these figures to show that buying power is better or worse than a year ago, although of course the large number of reductions indicate a considerable drop in income. By comparing the returns of different areas, however, relative improvement or retrogression is indicated.

Thus, relatively, the returns show much better response and therefore, better buying power, in Charlottetown, Quebec, Kingston, Belleville and Regina areas. The increases in returns from Charlottetown, Quebec and Regina are particularly significant as these areas also showed improvement in the first two months of 1932 compared with 1931.

Of the seven districts which paid more than $1,000,000 in income tax in the two months, Ottawa has the best record with a decline of only 4.2 per cent from the previous year while London and Montreal rank second and third respectively. Hamilton, with a drop of 30 per cent, makes the poorest showing compared with a year ago.

Creamery Butter Output Gains in Six Provinces

Production of creamery butter in Canada during May amounted to 23,022,730 pounds as compared with 21,966,915 pounds in May a year ago, an increase of 4.8 per cent.

Largest increase took place in Ontario, 8,087,857 pounds being produced in May, 1933, compared with 7,341,108 in May a year ago, an increase of 10.2 per cent while the largest decrease was in Quebec, a decline of 400,000 pounds accounting for the 5.8 per cent drop. The following table shows production by provinces for May, 1932 and 1933:

Creamery Butter Production

	May, 1933 lbs.	May, 1932 lbs.	Charge %
P. E. I.	138,674	118,800	+16.7
N. S.	526,985	493,769	+6.7
N. B.	211,694	224,118	−5.5
Que.	7,202,000	6,804,443	+5.8
Ont.	8,087,857	7,341,108	+10.2
Man.	1,964,099	2,188,775	−10.3
Sask.	1,958,421	1,903,669	+2.9
Alta.	2,373,000	2,281,824	+4.0
B. C.	560,000	610,409	−8.3
	23,022,730	21,966,915	+4.8

Failures in the week ended June 17, as reported under the Bankruptcy Act, numbered 33, five less than in the corresponding week a year ago. Failures during the year to date total 858, a decrease of 132 from the total for the same period of 1932.

Commodity Prices

	Week ending July 1	Previous week	Same week last yr.
Cattle (cwt.)§	$6.00	$5.85	$6.75
Copper, lb.	.08	.08	.05⅝
Cotton, lb.	.1030	.0960	.0595
Rubber, lb.	.0650	.06	.0258
Sugar, raw, lb.	.0350	.0340	.0280
Silk, lb.	2.30	2.35	1.17½
Wheat (Man.) bu °	.79½	.74¼	.53⅛
Hides, lb.	.12½	.12½	.04
Coffee, lb.	.07¼	.07½	.07⅞
Weekly Indices			
N. Y. Annalist‡	97.8	93.3	90.6
Fishers'	♦65.1	64.0	†59.6
N. Y. Journal of Comm.■	63.7	61.5	56.7
Crumps (Brit.)*	63.9	62.9	†59.0

†Average, June, 1932.
‡Week to June 27.
*Week to July 1.
♦July 1.
§June 29.
°July 3.
■June 24.

Monthly Indices

	Latest w'sale	Prev. month	Same month last year
Canada (D.B.S.) (May)	66.9	65.4	67.4
Retail (May)	77.6	78.6	81.8
U. S. Labor (Apr.)	60.4	60.2	65.5
Gt. Brit. (Apr.)	65.6	65.9	69.1

‡Basis of price quotations is as follows: cattle — steers, good, over 1,050 lbs., top price, Toronto; copper—electrolytic, New York; silk—Japanese, 13-15, New York; sugar—96 degree centrifugal c/f New York; wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; coffee—Rio, No. 7, spot, New York.

Car Loadings, June Building Feature Week

Construction contracts awarded in June take pride of place in the summary of business statistics released during the past week for, though the total for the month is only two thirds of the June, 1933, figure, it represents a 24 per cent increase from May.

Higher loadings in the week ended June 24 than in the corresponding week a year ago, the first time this year that this has occurred, and higher cattle and hog sales in the last week of June are other bright features.

			Change From prev. period %	Change From prev. year %
Monthly:		June '33		
Constr. contracts	$	8,086,200	+24.0	−33.5
		May '33		
Autos, financed	No.	7,432	+34.1	−22.7
	$	3,093,469	+50.0	−18.3
Immigrants	No.	1,474	+3.3	−45.8
Weekly:*		June '33		
Carloadings	No.	39,827	−1.8	+1.3
Cattle sales	No.	10,809	+21.6	+43.1
Hog sales	No.	19,576	+5.3	+3.3

*Weeks ended June 24, 29 and 29 respectively.

Radio to Fishing Fleet

W. C. Smith and Co. have installed a radio telephone at their office in Lunenburg, the first of its kind in Nova Scotia. It will be used to keep in communication with vessels of the fresh fish fleet at sea. It is proposed to equip the entire fishing fleet with receiving sets in the winter.

BUILDING AWARDS GAIN 24 PER CENT OVER PRIOR MONTH

June Total Moves Higher Against Seasonal Trend

Although the total is not impressive, construction contracts are 24 per cent higher in June than in the previous month, this increase being against the general seasonal trend. Last year the June total was 15 per cent less than that of May, although at $12,154,700 it was considerably higher than the $8,086,200 reported in June this year, according to figures compiled and published by MacLean Building Reports.

Business buildings is the only group which failed to gain from the previous month and also the one which makes the poorest showing compared with a year ago; the total of $2,098,700 in June this year compares with $2,142,500 in May and $4,043,000 in June, 1932. Residential and industrial buildings and engineering show higher totals than in May and contracts awarded for industrial buildings are more than twice the June, 1932, figures.

Construction Contracts Awarded
(By Type of Construction)

	June, 1933 $	May, 1933 $	June, 1932 $
Residential	3,020,400	2,066,600	3,076,000
Business	2,089,700	2,142,500	4,043,000
Industrial	823,300	584,300	402,400
Engineering	2,152,800	1,720,700	4,633,300
	8,086,200	6,514,100	12,154,700

Large Awards

Large awards made in June include one for $518,800 for a sewage treatment plant in Toronto; $200,000 for an institution at St. Ferdinand d'Halifax, P.Q.; $141,000 for rebuilding a boys' residence and hall at Sackville, N.B.; and three contracts aggregating over $300,000 awarded in Montreal for paving, underground conduits and an addition to the city hall respectively.

Ontario led the rest of the provinces with a total of 657 jobs amounting to $3,459,300. In Quebec, 424 jobs totalled $2,457,600 while the totals for the other provinces are as follows: New Brunswick, $374,300; Nova Scotia, $367,400; Prince Edward Island, $114,200; British Columbia, $506,900; Alberta, $299,200; Saskatchewan, $180,000; Manitoba, $327,300.

Business Briefs

Car Loadings for the week ended June 24 totalled 39,827 cars, a decrease of 744 cars from the previous week and the adjusted index number fell from 64.71 to 62.97. Compared with a year ago the total for the week was 525 cars higher, the first time this year that this has been recorded.

World Grain Fair at Regina will be commemorated by the issuance of a special postage stamp. An overprint of the 20 cent stamp of the 1927 Confederation Jubilee historical issue will be used bearing the words "World Grain Exhibition, Regina 1933."

Maple Sugar and Syrup production in Quebec in 1933 is estimated by the Quebec Minister of Agriculture at 5,400,300 pounds of sugar and 844,700 gallons of syrup. Average price per pound of sugar is estimated at 8 cents and syrup at 99 cents a gallon, total value of the tap being $1,268,300.

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For all industrial purposes, including mills, mines, pumps and woodworking plants as well as fishing boats, tugs, freight, passenger and pleasure boats.

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INDUSTRIAL AND NATURAL RESOURCES DEPARTMENT
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NEW YORK, N.Y.
M. W. Maxwell
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673 Fifth Ave.

MONTREAL, P.Q.
Wm. Phillips,
Manager,
355 McGill St. (Room 306)

For Information re
NATURAL RESOURCES IN WESTERN CANADA write—
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WINNIPEG, MANITOBA

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$3,500,000

Province of Manitoba

5½% Sinking Fund Debentures
(Non-Callable)

Dated July 1st, 1933 Due July 1st, 1958

Principal and half-yearly interest (July 1st and January 1st) payable in lawful money of Canada at The Royal Bank of Canada in Toronto, Montreal, Winnipeg, Regina, Vancouver or Saint John, N.B.

Denominations: $100, $500 and $1,000.
Debentures may be registered as to principal.
Legal Opinion: Messrs. Long & Daly.

These Debentures are a direct obligation of the Province of Manitoba and are payable, principal and interest, from the Consolidated Revenue Fund of the Province. Proceeds of this issue will be used for relief and general Provincial purposes.

An annual Sinking Fund of 1% will be established against this issue.

Information regarding the financial position of the Province will be found in the official circular which is available upon request.

We offer these Debentures, if, as and when issued and accepted by us, subject to approval of Counsel.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close subscription books at any time without notice.

It is expected that Debentures in interim form will be ready for delivery on or about July 15th, 1933.

Price: 93.50 and interest, to yield over 6%

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The information contained in this advertisement is based upon statements on which we have relied. We do not guarantee but believe the statements herein made to be true.

News, Views of World Meet From Financial Post Editor

Nationalism Dooms Reduction of Tariffs At Economic Parley

Free Trade Left on Doorstep — Nationalism on the Inside

DID SAME IN 1927

Speeches Favoring Removal of Tariff Barriers Insincere —Innocuous Resolution Probable

By Staff Editor

LONDON.—The World Economic Conference has been in session long enough to make it quite clear to any penetrating observer that only the most revolutionary change of viewpoint, on the part of practically all of the delegates, can turn it into an instrument for tariff reform. Free trade has been left out on the doorstep. Economic nationalism is inside the conference hall. The Conference's tariff deeds will not match its high-principled tariff speeches.

The World Economic Conference of 1927 passed a resolution urging a general lowering of tariffs. For a while after that conference there was some sign of tariff reduction in different parts of the world. But the movement was short lived and soon gave way to a campaign of tariff-raising such as has never before been seen in practically every country in the world. Whether tariffs are to be regarded as a symptom of the depression, as the French contend, or a cause of the depression, as the British and some other countries contend, the fact remains that until recent months practically every nation in the world was engaged in the process of raising tariffs higher.

Truce Not Satisfying

Most tariffs were so high at the beginning of this year that it was not difficult to get the countries to accede to a tariff truce. But those economists who feel that there can be no recovery without tariff reduction on a world-wide scale, so that goods and services and capital can begin to flow again over international boundaries, were far from satisfied with a tariff truce. They wanted tariffs not merely to be frozen where they were but to be radically reduced.

Those who are inclined to take seriously the pleasant speeches that statesmen are able to make on the occasion of such conferences as this one may have been encouraged by the early addresses in the opening weeks to believe that this conference would find a formula for getting tariffs down. But statesmen have a way of "hedging" so skilfully in their speeches that the first impression one gets from them is not what the giver of any particular speech is prepared to implement in actual policy. There have been some excellent oratorical efforts on the subject of the necessity for an all around reduction in tariffs. But there has been no rush on the part of any country to organize the conference to achieve that end.

Verbal Expressions Insecure

In brief, the delegates speak internationally for effect and negotiate nationally in practice. In the public sessions they declare their allegiance to the cause of world trade recovery through tariff reduction. In private they announce their intention of continuing the use of tariffs as instruments of national policy.

The Conference is unlikely to effect any important change in tariff policies anywhere in the world as a direct result of its activities. There are some things it could do, of course, but of most of them it can be said that they will not be done.

Possible Tariff Action

There are several actions that the Conference might take regarding tariffs:

It might agree to a general treaty providing for a specific percentage of reduction in tariffs and in which they would definitely agree not to use tariffs as a weapon for economic warfare.

This is under discussion, but is very unlikely to come to pass.

It might agree to a statement, signed by all the countries, in which they undertook to survey their tariffs and to make general reductions as rapidly as their internal conditions permitted.

Even if such a resolution were agreed to it probably would not be implemented.

It might content itself with a resolution urging all countries to reduce their tariffs and otherwise to remove impediments to the fuller resumption of world trade.

A general resolution favoring lower tariffs is, of course, a certainty, but it would be of little moment and if it stood alone at the end of the Conference it could be regarded as little more than a face-saving gesture.

International Machinery

But while the Conference at large feels that nothing further can effectively be done a very serious effort will be made to achieve not only a determination to lower tariffs but some machinery for international co-operation in the reduction of tariffs. Just what pattern could be drawn for such machinery is something the Conference will take quite some time to decide.

Naturally, the example of Ottawa is discussed. At Ottawa the most important piece of tariff adjustment machinery was the agreement of the Dominions to establish tariff boards which would be instructed to hear representations of British manufacturers and to recommend rates of duty which would merely equalize relative costs of production. But this was an agreement between members of the same family and such a simple device is not so suitable for adoption by an assorted group of more than 60 nations.

Tariff Board

Its place could be taken — and this has been discussed—by an international tariff co-ordination body under the auspices of the League which would study the tariffs of different countries and hear representations as to any tariffs regarded as excessive or unfriendly. For instance, if France were to raise its tariff on wheat to a higher level or even continue it at its present high level, Canada could go before the international body and complain that France was injuring Canada without commensurate benefit to itself. The committee would hear representations and make a public report which France could ignore only at the peril of incurring the displeasure of a large part of the world. It would be regarded as not carrying out the general Conference agreement to reduce tariffs.

For such machinery there is no precedent and it would undoubtedly run into considerable difficulties in operation and might indeed prove utterly futile in the end. But some of the delegates at the Conference —particularly those from Great Britain, would like, if at all possible, to have the Conference go beyond the mere expression of a pious resolution and start the experiment of bringing all tariffs before the court of world opinion through the medium of some central international body.

Tariff Agreements Unlikely

But after discussing the various things the Conference might do it is more to the point to discuss what it is likely to do. And the best guess is that its final tariff resolution will be comparatively innocuous.

This leads to the inevitable conclusion that the end of tariff making is not in sight.

Seasoned observers forecast a resolution favoring the lowering of tariffs "consistent with national aspirations" which, in the present temper of the world, negative the resolution entirely.

British observers are pondering what the failure of tariff reduction proposals at the Conference means to the Empire. They forecast the calling of another Imperial Conference at an early date at which the 1932 agreements can be reviewed in the light of their operation and can be extended to embrace a much larger degree of economic integration of the Empire. Coincident with the strengthening of Imperial bonds there would come the negotiation of individual bilateral tariff treaties, such as Britain's treaty with the Argentine and Canada's impending treaty with the United States, which would serve to reduce the average level of tariffs and tend to link countries with allied interests together in a number of groups.

Practical Viewpoint

Conference realists have come to the conclusion that tariff reduction can only be practically achieved by bilateral treaties between countries with common interests trusting that by such means a general averaging down of tariffs can be achieved.

Rt. Hon. Walter Runciman urged bilateral treaties as the way out and the experience of the Ottawa Conference, of course, strengthens the inclination of statesmen to try the experiment on a world-wide scale. But no treaties of this character are being negotiated at London.

Bimetallists See Victory for Silver From Conference

By Staff Editor

LONDON.—On the question of silver the bimetallists for the moment are very strong and may achieve a tactical victory of some kind at the conference. Some resolution or action on silver is a virtual certainty.

And in relation to central banks the important question is as to how much their powers can be extended and to what extent international co-operation between central banks is possible.

DIVIDEND NOTICES

Penmans Limited

Dividend Notice

Notice is hereby given that the following Dividends have been declared for the quarter ending the 31st day of July, 1933.

On the Preferred Stock, one and one-half per cent (1½%), payable on the 1st day of August to Shareholders of record of the 21st day of July, 1933.

On the Common Stock, Seventy-five Cents (75c) per share, payable on the 15th day of August to Shareholders of record of the 5th day of August, 1933.

By Order of the Board.
C. B. ROBINSON,
Secretary-Treasurer.
Montreal, June 22, 1933.

THE Teck-Hughes Gold Mines LIMITED

(No Personal Liability)

KIRKLAND LAKE, ONT., CANADA

The Directors of this Company have declared a dividend of 15c per share, payable on August 1, 1933, to shareholders of record at the close of business July 13, 1933.

(Sgd.) K. P. EMMONS,
Treasurer.

UNDER THE MANAGEMENT OF
POWER CORPORATION OF CANADA
LIMITED

SOUTHERN CANADA POWER COMPANY LIMITED

Common Dividend No. 33

A DIVIDEND of Twenty-Five Cents (25c) per share, being at the rate of $1.00 per annum, on the NO PAR VALUE COMMON STOCK OF SOUTHERN CANADA POWER COMPANY, LIMITED, has been declared for the quarter ending July 31st, 1933, payable August 15th, 1933, to shareholders of record at the close of business on July 31st, 1933.

By order of the Board,
L. C. HASKELL,
Secretary.
Montreal, June 23rd, 1933.

The Steel Company of Canada, Limited

PREFERENCE DIVIDEND NO. 88

Notice is hereby given that a dividend of forty-three and three quarters cents (43¾c) on the new Preference Shares of the Company has been declared for the quarter ending June 30th, 1933, payable August 1st, 1933, to shareholders of record at the close of business July 7th, 1933.

By Order of the Board,
H. S. ALEXANDER,
Secretary.
Hamilton, Ontario.
June 28th, 1933.

The Steel Company of Canada, Limited

ORDINARY DIVIDEND NO. 66

Notice is hereby given that a dividend of thirty cents (30c) on the new Ordinary Shares of the Company has been declared for the quarter ending June 30th, 1933, payable August 1st, 1933, to shareholders of record at the close of business July 7th, 1933.

By Order of the Board,
H. S. ALEXANDER,
Secretary.
Hamilton, Ontario,
June 28th, 1933.

Canadian Bronze Company Limited

Dividend Notice

THE quarterly Dividend of 1¾ % on the PREFERRED STOCK of the CANADIAN BRONZE COMPANY, LIMITED, has been declared payable the 1st day of August, 1933, to Stockholders of record as of the 20th day of July, 1933

Also a quarterly Dividend of Fifteen (15c) Cents per Share has been declared on the present outstanding COMMON STOCK of CANADIAN BRONZE COMPANY, LIMITED, for the three months ending July 31st, 1933. Payable the 1st day of August, 1933, to Stockholders of record as of the 20th day of July, 1933.

By Order of the Board,
W. C. PAQUETTE,
Secretary.
Montreal, P.Q.
June 30th, 1933

NOTICES

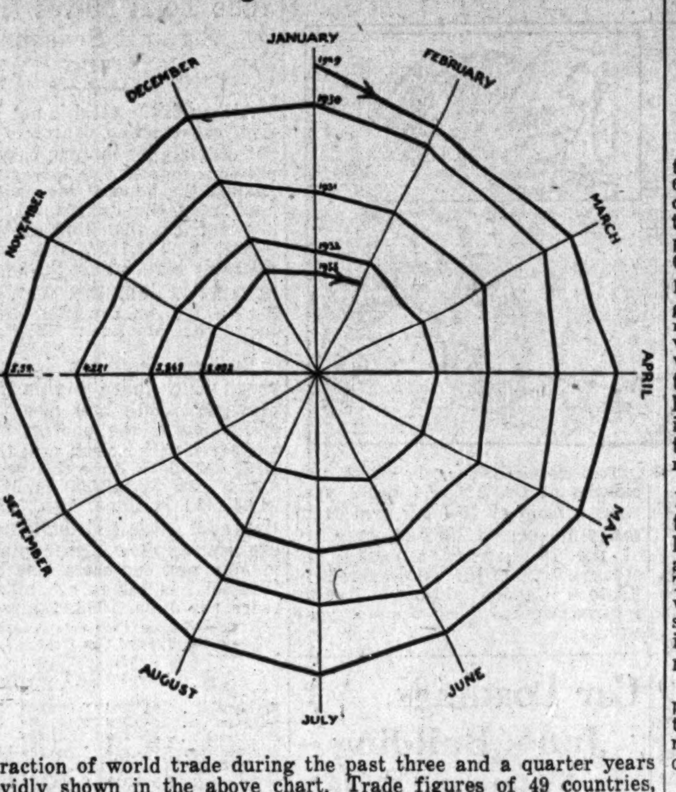
The Ontario Municipal Board

Notice is hereby given that the Municipality of the Town of Hawkesbury has become subject to the provisions of Part VI of "The Ontario Municipal Board Act, 1932," by an order of "The Ontario Municipal Board" bearing date the 15th day of June, A. D. 1933, and from and after the first publication of this Notice in "The Ontario Gazette" all actions or proceedings against the said Municipality are stayed, and therefore no action or other proceeding against the said Municipality shall be commenced or continued, nor shall a levy be made under a Writ of Execution against it without leave of the Ontario Municipal Board.

Dated this 15th day of June, A. D. 1933.

H. C. SMALL,
Secretary,
The Ontario Municipal Board.
C. R. McKEOWN, Chairman.

Ever Decreasing Circle of World Trade



Contraction of world trade during the past three and a quarter years is vividly shown in the above chart. Trade figures of 49 countries, representing about 90 per cent of total world trade, have been converted into United States gold dollars at average monthly exchange rates. Figures printed on the horizontal axis of the diagram are the total values in millions of gold dollars at October in each year.

Public Works of Nations Must Produce Revenues Say Conference Experts

By Staff Editor

LONDON.—One of the subjects that the conference has had before it is the expenditure by Governments, or by private capital with the encouragement of Governments, of large sums of money on public works designed to relieve the problem of unemployment. It is a subject of no little interest to Canada where a large-scale effort to relieve employment by expenditures on public works failed to accomplish appreciably favorable effects in 1930 and 1931.

A special commission, consisting of the usual body of "experts" made a study of the problems and has issued a report to the conference.

The committee rejects for the moment at least the proposal, made in some quarters, that the League should direct a huge programme of international public works. The idea may be taken up again in the future but for the moment the committee feels that the individual works carried on in different countries constitute international action in themselves.

Must be Productive

An essential condition is laid down that even those works that are designed primarily to relieve unemployment should be able to measure up to the essential condition of being productive. And the committee warns against undertaking new construction to increase the industrial or economic equipment of countries that already have an equipment beyond their present needs. Governments are urged not to build new works to increase production but rather those works that will provide better distribution for manufactured goods or foodstuffs, or that will reduce production or transportation costs. Also they envision certain projects as having the possibility of creating new markets or introducing new buyers.

Fruitless Investment Discouraged

"Fruitless investment" is particularly frowned upon. And it is of interest, in connection with the present controversy concerning the possible imposition of tolls on the new St. Lawrence Seaway, that attention is directed to the possibility of going ahead with projects that would provide new revenues to the states to meet, in whole or in part, the capital charges on the money invested.

In regard to financing public works the committee feels that if large scale works in borrowing countries were to be submitted to a body of international experts for examination, the ones that were approved by that body might find it more simple to obtain foreign capital for their execution.

World Parley Day by Day

Record in Brief of Events at London Conference

Official and unofficial reports of events at the London Monetary and Economic Conference are given below in daily summary form.

JUNE 28 — Gold countries, under French leadership sought to get British to stabilize pound against gold. Progress was reported unofficially. French ultimatum said stabilization measures must be achieved within a week or would quit conference.

Unofficially reported that President Roosevelt of U. S. A. had been asked by European countries for outline of stabilization policy.

JUNE 29—Great Britain reported to be preparing conciliatory statement for gold standard countries, indicating that gold standard is ultimately desired. Gold countries asked Great Britain to stabilize regardless of United States. British reported to have refused, contending United States must co-operate. Britain and United States expected to report that currency stabilization cannot be effected until respective economic conditions are stabilized.

Wheat conference sent information to Australia for consideration of state premiers at Melbourne, July 1. Australian attitude toward acreage reduction reported improved. Outside conference, French senate prohibited wheat imports and ordered compulsory mimimum price.

JUNE 30—Flexible currency stabilization plan reported. Said to await Roosevelt's approval. Plan said to involve checking excessive fluctuations, no weakening of stability of gold currencies, ultimate return to gold.

Co-operation of central banks said to be exchange control method approved by conference. Roosevelt reported unfriendly to stabilizaton lest it interfere with domestic programme in United States.

At wheat conference Australia demanded co-operation of importers before agreeable to acreage cut. Also asked increase in allowable per acre production, and right to export in 1934-35 any deficiency in 1933-34 exports due to agreement to reduce acreage.

JULY 1—Roosevelt refused to allow central banks to stop speculation and excessive corrency fluctuations. Raymond Moley, United States, said to have placated gold countries by revelation of main points of U. S. monetary policy to be announced July 3.

British also scheduled to issue statement, expected to disapprove competitive currency depreciation and advocate smoothing fluctuations.

Australian state premiers reported to have approved wheat acreage reduction agreement as proposed at London conference. Cabled decision to London delegates.

Outside conference, Britain lifted embargo on Russian goods.

JULY 3—Roosevelt informed conference dollar not to be stabilized at present level. This bombshell threatened life of conference. Gold nations stated intention of remaining on the standard. British currency statement not made.

Steering committee to meet July 4 to decide fate of conference. Reported that only economic commission may remain in London, monetary section disbanding.

Roosevelt advocacy of national readjustment before currency stabilization seen as invitation to other countries to follow United States domestic programme.

JULY 4—Steering committee adjourned until July 6 meeting to consider dismissing conference. Gold nations moved in steering committee that conference be adjourned. Resolution blocked by Britain, United States and Scandinavian countries.

American delegates hope to get further instructions from Washington before July 6 session of steering committee. Georges Bonnet, France, urged either early stabilization of currencies or ending conference.

Gold bloc countries were reported to be arranging early meeting at Bank of France to consider their policy on maintenance of gold basis.

World Trade Down 65 p. c. In Four Years

By Staff Editor

LONDON.—Since 1929, world trade in gold dollars has declined 65 per cent, according to figures compiled by the Information Section of the League of Nations and presented at the London World Conference. Various national currencies have been converted into gold dollars and with this necessary reconciliation of unequal currency values, it is shown that the total volume of world trade equivalent to $5,162,000,000 monthly in 1929 has fallen to $2,006,000,000 monthly in 1932 and has since shown a further decline to under $1,800,000,000 monthly.

Some ingenious chart-adept in the League headquarters has plotted the figures on a chart in which the line of trade is a circle rather than a moving line on a horizontal chart. The figures, when presented in this way, make a rapidly diminishing spiral with the line moving rapidly inward to the centre point which represents no trade at all.

Countries included in the computation do about 90 per cent of all the trade of the world. Average monthly figures in millions of gold dollars since 1929 are as follows:

Average Monthly World Trade
(In millions of dollars)

	Imports	Exports	Total
1929	$2,710	$2,463	$5,162
1930	2,206	1,981	4,185
1931	1,587	1,405	2,998
1932	1,061	945	2,006
1933, Jan.	940	848	1,788
Feb.	896	814	1,760
Mar.	993	890	1,883

PRE-WAR STYLE LONDON SEASON FOR CONFERENCE

Delegates at Guild Dinners Enjoyed Vintages of Old Cellars

By Staff Editor

LONDON.—The social side of the London Economic Conference has not been neglected. Delegates and overseas journalists have been well looked after. They have been in London at the peak of the London "season," generally admitted to be the most brilliant since before the war. Such imposing annual affairs as the Ascot race meet, the Aldershot searchlight tattoo, the Greenwich naval pageant, and the R. A. F. display have all been held in the early weeks of the Conference and have been attended by citizens from all over the world. The Marchioness of Londonderry, London's No. 1 hostess, gave a reception beside which such receptions as those at Lloyd's, the Speaker's, the First Lord of the Admiralty's, etc., tended to pale somewhat.

Dinners of Guilds

Most interesting among the dinners were those given by the ancient liveried guilds of the city—the Goldsmiths', the Barbers', the Mercers', the Fishmongers' and seven others. Fabulously wealthy, housed in honorable and beautiful halls, with the finest cellars in London, these institutions are noted for their dinners which are bountiful and pleasant and not spoiled by excessive speech making.

Great was the chagrin of Londoners and visitors alike when it became known that many of the delegates, unfamiliar with the Guilds, thought that they were invited to dinners by purely commercial organizations seeking their patronage and either ignored the invitations or sent their regrets. Only a handful of delegates attended each dinner but these few enjoyed a rare privilege.

Canadians Were There

The Canadians went to the Goldsmiths' dinner, not making the mistake that was made by the delegates from other countries, and they had the privilege of drinking their 1830 sherry, their 1900 hock and their Napoleon brandy in the light of thousands of candles, (for the Guilds shun electric lights) set in the finest sterling candelabra of ancient craftsmanship, and of wetting the corners of their handkerchiefs in eau de cologne and rose water contained in golden bowls of chaste ornamentation.

Various smaller handfuls of delegates and journalists were invited to smaller daily luncheons at No. 10 Downing Street and other scarcely less historic and notable addresses. The British may have been at pains to make it clear that they were not running the conference, which is a purely League of Nations affair, but they accepted their full responsibilities as hosts to the delegates themselves.

Conference Divided Into Many Groups

Chart of Commissions and Sub-commissions Looks Like Genealogical Tree — Review of Earlier Stages and Significant Proposals

By Staff Editor

LONDON.—The world economic and monetary conference was not long under way before it had broken up into so many small groups that the steering committee had to devise a chart to let the delegates know where they were at. The chart is strange and not a little terrifying; it is a drawing in the style of a genealogical tree. Each of the small commissions and subcommissions deals with some small aspect of the economic problem, perhaps commercial policy, perhaps co-ordination of production, perhaps the policies of central banks or something else. But each of the branches is attached firmly to a larger limb in the form of a committee to which it reports and each of the limbs forks out from the main tree. It took two weeks to start the branching out process; it will take longer for them all to come together again in a single plenary conference.

Review of Stages

Now that the work of the conference is all split up into small compartments, the time is perhaps opportune to review the earlier stages and the main conference and the committee sessions and to summarize the more significant speeches and proposals of delegates representing different countries. Such a review not only shows the kind of material the conference is trying to digest but it gives a clue or two as to essential variations in viewpoint which make final agreement on major matters so difficult.

As an example of the type of cleavage that has developed it has been almost universally accepted that the major benefits to the world of a substantial rise in prices in the near future would offset any disadvantages that might accrue to any particular classes in the economic community, such as the investing or rentier class. (And of course even investors might benefit because lower purchasing power of their incomes, in the event of a rise in prices, would be offset by the important considerations of greater security through the enhanced ability of debtors to meet their principal and interest charges).

Disagreement on Methods

But while there is agreement on the purely theoretical desirability of a rise in prices there is no agreement as to the methods to be pursued to bring about a rise in prices. The conference is rather sharply split into three groups on the matter.

One, headed by the United States, believes each country should stimulate a price rise at home through artificial manipulation of credit and, if necessary, currency reflation, so called.

Another group, headed by England, believes a rise in prices can be introduced by international co-operation in the field of easier credit and large programmes of public works, at the same time avoiding dangerous currency inflation by one country alone.

A third group, headed by France, is convinced that all artificial measures to restore prices are doomed to failure and believes that sound currency, early restoration of gold and adjustment of debts, combined with the knocking down of tariff walls, will restore purchasing power, stimulate general confidence and cause a natural and permanent rise in price levels. It was the existence of such a diversity of opinions in matters of monetary policy that early made it apparent a temporary arrangement for international currency stabilization was out of the question.

Commercial Differences

The differences in regard to monetary policy have been marked, but not much more so than the differences in regard to economic policy. This is because the economic field covers so much more ground and embraces so many more individual problems, on many of which agreement is not difficult. The chief problem, of course, is that of tariffs and the use of quotas, import restrictions and embargoes to divert trade. There has been difference of opinion as to whether tariffs are a cause or a symptom of depression but there has been almost universal agreement as to the objective—to get the average level of tariffs down and to abolish practically all barriers to trade other than tariffs—but there has been equally wide diversity of opinion as to how to reach the objective. And there is a major portion of the conference that thinks nothing can be done about tariffs at all.

The first week showed how many variations could be played of the tariff tune. The Ottawa agreements came in for criticism, although Senor Cosio, the Uruguayan chairman, rather surprised the conference by declaring that the Ottawa agreements showed the world how tariffs could be brought down. Mr. Chamberlain suggested that there might be some possibility of a multilateral conference agreement for tariff reduction but he foreshadowed what Mr. Runciman was later to say when he urged bilateral treaties such as Britain has been negotiating with the Scandinavian countries, Argentine, etc.

Bennett Showed Realism

Mr. Hull for America aroused hopes that were quickly dashed to the ground when he declared that economic nationalism was a discredited policy. Mr. Bennett showed greater realism and said what was really in the minds of all delegates when he declared that nations would continue to use tariffs for their economic and social self-protection. Litvinoff, for Russia, did not miss the opportunity for propaganda favorable to the Five Year Plan and against the tariff policies of other nations and it was early in the proceedings that the Cuban delegation asked a finish to tariffs as an instrument of economic warfare.

These differences of viewpoint were largely fundamental and could not be regarded as mere debating or sparring for position.

Two Monetary Groups

The clashes were carried from the general sessions of the conference as a whole to the sessions of the committeees. The Monetary Commission divided itself into two parts, one to study temporary financial measures to stem the tide of depression and the other is study permanent measures.

It will perhaps aid in a following of the complicated questions before the financial commission to show the subjects before each subcommission:

(1) Temporary measures: Credit policy; price levels; limitation of currency fluctuations; exchange controls; problems of indebtedness; resumption of international lending.

(2) Permanent measures: Functions of central banks; co-ordination of central bank policy; monetary reserves; silver.

Temporary Money Measures

In the first section (temporary measures) Mr. Chamberlain gave the delegates and their advisers a point to start from when he drafted a resolution which declared that there must be a recovery of wholesale prices to make production again profitable and restore equilibrium; that in this process monetary action was an essential factor and central banks should co-operate to cheapen credit and make it plentiful.

This moderate policy was supported by delegates from most of the Dominions but it soon ran up against French view (supported by speakers from many countries) that monetary action to raise prices was a dangerous experiment and in any event a fallacy; that it was essential to restore confidence, ample credit being useless without a demand for it, and confidence to create the demand. These speakers insisted on stability in exchanges and national monetary systems as the prime necessity. So long as there was uncertainty or the threat of inflation there would be hoarding and a restriction of credit. The burden of the French plea was "stabilize; go back to gold at once and recovery will come."

Permanent Money Plans

In the second subcommittee (permanent monetary measures) there was not the same material for disagreement and a draft resolution by the Americans was taken as a starting point. It urged that the gold standard should be restored as quickly as possible; that the legal minimum metal cover of central banks should be reduced and standardized at 25 per cent; that silver should be given a place in central bank reserves and that its price should be maintained by international action.

The committee immediately accepted the pious first paragraph about the return to gold, formed another small committee to wrestle with silver and provide an initial jousting ground where the bimetallists and their foes could meet, and set up another committee to go into the technical questions relating to central banks.

Economic Commission Also Split

The large committee on economic problems has likewise broken itself into numerous fragments by a similar process. It started its work in the rather encouraging atmosphere of a tariff truce to which practically every nation at the conference had subscribed by the time the meetings were well under way. But of course the tariff truce does not mean much and never did mean much except to the extent that it prevented any one nation from upsetting the whole conference by revising its tariff while the debate was still going on. It is for the duration of the conference but any country may withdraw on thirty days notice if the conference is not over by July 3, unless of course the truce is renewed by general accession to a new agreement.

France for Co-ordination

The French tried to bring the question of co-ordination of production before the conference before tariffs. This was in accordance with the French logic, for that country regards the depression as due to unrestricted speculation and production. To the French, high tariffs, quotas, prohibitions, restrictions, etc., are symptoms and not causes of the disease. By agreements between producers and countries, which would eliminate the evils of over-production with its attendant dumping, speculative capitalization, wage reduction and the aspiration of nations to self-sufficiency, they believe the symptoms would be made to disappear. But this move of the French, significant as it was in indicating the views of an important group of countries as to the true causes of the depression, was circumvented and the committee jumped immediately into a discussion of tariffs, where Walter Runciman for Great Britain gave a lead by outlining the British views. The British would like to have tariffs reduced by a multilateral agreement at the conference if this were possible but experience with similar agreements in the past was declared by them not to be satisfactory so Mr. Runciman enjoined the world to adopt the British plan of working out trade treaties. In the working out of these bilateral agreements the most favored nation clause must not be allowed to impede the signing of a useful bilateral treaty he said. Moreover, in cutting tariffs regard would have to be had for the varying heights of the tariff walls of different countries.

U. S. Tariff Foundling

It was before this commission that the U. S. draft resolution on tariffs, calling for a 10 per cent cut all around, would have gone had not President Roosevelt overruled the over-enthusiastic Secretary Hull and caused him to disown a document that had been issued officially over his signature. But Mr. Hull introduced a new draft resolution which is now under debate.

There are other resolutions on tariffs, including the Cuban document, which is the draft text of a permanent treaty of tariff peace but it has little chance of final acceptance.

To turn now from tariffs, Sir Philip Cunliffe-Lister made clear the British position on the French proposals for co-ordination of production. Agreements to this should be comprehensive, must have the good will of producers, must be fair to all interests including consumers; must be administratively practical; must be lasting and must encourage efficiency and not bolster up weak producers.

Economic Commission Phases

The Economic Commission soon proceeded to break up into its own segments, just as the financial commission had done. One group took up commercial policy including tariffs and all substitutes for tariffs; another took up co-ordination of production and marketing, which involves international agreements in the field of, for example, wheat; another the vexed problem of bounties and subsidies particularly in shipping; another export bonuses, marks of origin, etc. There will probably be more of these groups. Very interesting and learned discussions have taken place in the different small gatherings, but progress in reaching agreement is slow.

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BOARD ROOM TABLE — MAHOGANY, 4 ft. by 10 ft., $200; cost $400. Good as new. Box 130, The Financial Post, Toronto.

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ORANGE CRUSH SALES IMPROVE

Outlook Reported Brighter at Annual Meeting — Profit Ratio Up

Prospects for increase in the volume of business done by Orange Crush Ltd. are brighter than have existed for a number of years according to statements made at the annual meeting held on June 30. R. B. Lindsay, president of the company, stated that substantial signs of business improvement have been evidenced. Volume of business increased in May and June in decided contrast to the continual decline experienced since June, 1932.

Due to economies effected in 1932, it is stated that increase in volume of business will be substantially greater from an earnings standpoint than the increase in volume would indicate. It is stated that every effort has been made to develop fountain business and that a consistent increase has been shown in syrup sales.

The earnings statement submitted at the annual meeting showed a loss for the year ended December 31, 1932, of $16,484 after payment of preferred dividends for one quarter. Surplus carried forward was $5,196 and current liabilities exceeded current assets by $27,733.

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Blue Ribbon

How was Blue Ribbon Corp. formed? Have dividends ever been paid on the stock and what was the highest price at which the stock ever sold?

Blue Ribbon Corp. was incorporated with Federal charter in March, 1930, as a holding company to acquire all the outstanding shares of Pure Gold Mfg. Co. and Blue Ribbon Ltd. The history of Pure Gold Mfg. Company dates back to 1877. Pure Gold had a plant in Toronto and distributing warehouses in Eastern and Western Canada dealing in baking powder flavoring extracts, spices, grocery sundries, coffee, chocolates, etc. Blue Ribbon Limited was founded in Winnipeg in 1882, had warehouses throughout Western Canada and dealt in similar lines to Blue Ribbon.

Blue Ribbon Corp. owns all of the stock of its two subsidiaries. Blue Ribbon Corp. has outstanding $1,439,750 of 6½ per cent preferred stock of $50 par value and 63,475 shares of no par value common. The preferred shares are redeemable at $52.50 and are convertible into 1½ shares of common for each share of preferred at any time. Dividends are cumulative and were paid regularly from August 1, 1930, to February 1, 1932, when the annual rate was reduced to 4 per cent. Dividends are now being paid on this basis. No common dividends have been paid since February 1, 1932. Previously the dividend rate had been $2 per share per annum and in 1931 the common stock sold up to a high of 20 while the low for the year was 7. Preferred stock sold at 39¼ in 1931.

Fiscal year of the company ends June 30 and there is little indication as to what earnings will be reported for the current year. Operating profit in the year ended June 30, 1932, was sharply down from that of the previous year and after providing for fixed charges and paying preferred common dividends the company ended the year with a deficit of $70,331. In November, 1931, the company secured a five year option on the common stock of Willards Chocolates, Ltd., and undertook to guarantee payment of the dividend on the Willard preferred stock. In September, 1932 the Willards preferred dividend was not paid nor have payments been made since.

Northwestern Power

I have noticed that the bondholders committee of Northwestern Power Co. have held several meetings, but have not seen any announcement of their plan. Can you tell me what has happened and also when interest payments will be resumed.

The Bondholders' Protective Committee of Northwestern Power Co. has been engaged in investigating the position of the company, more particularly in relation to Winnipeg Electric. This committee has not issued a report so that we are not in a position to know what plans they have in mind in respect to coming to an agreement with the guarantor company—Winnipeg Electric.

Prospects for an early resumption of interest payments on Northwestern Power bonds are rather remote.

Canadian Industries

Can you give me some information relative to Canadian Industries. Are its securities listed on an exchange, and if so, which one?

Canadian Industries Ltd., is closely associated with Imperial Chemical Industries of Great Britain and E. I. DuPont De Nemours & Co. of the United States. It is engaged in the heavy chemical business and produces a wide range of products including chemicals, explosives, ammunition, fabrics, fertilizer, cellulose products, salt and other items. It holds a strong position with the Canadian trade and has been able to record satisfactory earnings in good and bad years. Dividends have been maintained by the company without interruption, on both the preferred, and common stock, since 1912.

The shares of Canadian Industries are not listed on any exchange.

Gypsum, Lime

I am interested in Gypsum, Lime and Alabastine and any information which you may have on the company would be greatly appreciated. Has a bondholders' meeting been held?

Gypsum, Lime and Alabastine has been hard hit by the depression in the building trade. The company's financial statement for 1932 indicated that earnings were not sufficient to cover bond interest. It was stated in the report that the company would likely put a proposal before the bondholders, but to date such action has not been taken. It is our understanding that current sales are on a slightly better basis but there is still room for improvement.

Loblaw

Would you give me your opinion of the class A shares of Loblaw Groceterias Ltd. as an investment at present prices? Is this company more than earning its dividend? Any information you can give regarding this company will be appreciated.

Loblaw Groceterias Ltd. has maintained a consistent record of earnings during the last few years and has earned dividend requirements by a good margin. The fiscal year of the company ended on May 31 and while sales were down some 7.5 per cent and profits down some 18 per cent during the first 48 weeks as compared with the preceding year, it would appear that the company earned the 80c. dividend and 20c. bonus paid on the 462,666 shares of class A and 383,300 shares of class B common stock.

Sales of the company have been affected by lower prices prevailing and by some reduction in demand. This was to be expected under the conditions prevalent in the last two years and with improvement in prices and purchasing power, sales can be expected to show an increase. The company would appear to have more than maintained its position in its field. Cash position at May 31, 1932, was strong with current assets of $3,377,000 and current liabilities of $883,758. Substantial proportion of current assets is in cash and readily marketable securities. The forthcoming annual statement due early in July will probably show improvement in cash position.

There seems to be every reason to believe that the current dividend will be maintained and there is possibility of increase to $1 since a bonus of 20 cents was paid in the current fiscal year. The market price of the stock does not fluctuate widely. There is no other class of security ranking ahead of the class A shares.

Canadian Pacific

Will you be good enough to let me have your opinion on the current position of the Canadian Pacific Railway and the prospects for a resumption of dividends on the common stock?

The Canadian Pacific Railway has been contending with steadily declining gross earnings and net income has dropped to a point where it is impossible for the company to pay dividends on its ordinary shares. Also the dividend on the preferred stock has been passed. While the company has made progress in cutting down its operating expenses and is in a position to materially benefit from any marked increase in traffic, it is likely to be some time before dividends are resumed on the ordinary shares.

Power Corp.

I hold a few shares of Power Corp. of Canada and would be glad to have an outline of the company's position at this time. Do you think that the recent move in the stock market has improved the position of the company to a point where dividends may be resumed on the common stock?

Power Corp. of Canada is largely an investment trust with its funds invested in various utility stocks in Canada and the United States. It holds controlling interest in the East Kootenay Power, Northern B. C. Power, Canada Northern Power, and a substantial stock interest in B. C. Power, Winnipeg Electric and its subsidiaries, Southern Canada Power, Foreign Power Securities, etc. The company's income in the last couple of years has been adversely affected. An improvement in the stock market naturally would have a beneficial effect upon the company's position but prospects for a resumption of dividends on the common stock do not appear favorable at the moment.

Quebec Telephone

As a subscriber to your valuable paper, I would feel obliged if you would let me know something about the Quebec Telephone Co. I bought some shares in 1925 and got little dividend out of it for awhile but I never hear anything about it now. Can you let me know the value of its stock?

Quebec Telephone and Power Corp.'s activities have been restricted in common with the experience of other communication organizations. During 1932 net earnings amounted to $60,305 as compared with $80,289 in the previous year; after taking care of depreciation, interest and other prior charges, there was a net profit of $32 as against $8,238 in 1931. There were no earnings available on the company's capital stock. The balance showed an adverse working capital, current liabilities exceeding current assets by $107,139.

The stocks of this company are not listed on any exchange and as far as we know there is no active market. You may be able to get a quotation on this company's stock through your own stockbroker.

St. James Court Ltd.

I should like information as to the present position of St. James Court, Ltd. 6½ per cent first mortgage bonds. Has the company kept its sinking fund payments up to date?

The St. James Court, Ltd. 6½ per cent first mortgage bonds were issued by S. W. Straus & Co. on the "Straus plan" which provided for serial payment of principal. Payments of both principal and interest are made in equal monthly installments during the year and we are informed that these payments are paid up to date. When S. W. Straus & Co. ceased business, National Trust Co. took over the duties of trustee and have been closely in touch with the St. James situation. While payments have been made by the company when due, we understand that principal payments have not been necessarily made out of earnings.

As far as we are aware, there has been no proposal for reorganization of this company but if by any chance a proposal should be made, National Trust would probably be handling the details.

Crescent Finance

A shareholder in Crescent Finance Co., Regina, has offered to sell me ten shares of common stock at a discount, and I would appreciate if you would advise me what you think of this stock.

The company's shares are not listed, and at the present time, the company is not paying a dividend. I believe, however, that the company is well managed and in reasonably sound financial position.

The big difficulty seems to be to find market for the resale of this stock as it is not listed and the company is not paying dividends. Can you give me any information about this company?

We have no financial statement of Crescent Finance Co. of Regina on which to base an opinion as to the company's financial position. Before buying stock of the company, you might very well obtain copies of the last two or three annual statements of the company.

The company was formed late in 1927 and under its charter has power to do automobile financing, commercial and investment banking, financing of new musical instruments, purchasing agreements and contracts for sale and purchasing of tax sale certificates. The company had an authorized capital of $2,000,000 divided into 200,000 shares of $10 par value and financing was undertaken by Northwest Securities Ltd., of Regina, who offered the stock at $12.50 per share. Of this amount, $3 was payable on application and thereafter not more than $3 per share semi-annually until the stock was fully paid.

The risks inherent in this type of business are fairly large with the result that in bad times earnings are poor. The experience of other companies operating in the same field has not been satisfactory in the last year or so. Unless you can afford to speculate it would seem advisable for you to stay out of a stock that has practically no resale market.

General Brock Hotel

We would like to know the position of General Brock Hotel Co. and Bishop Realty Co. both of which companies are in default on bond interest. What progress is being made with regard to reorganization of these companies? Who are looking after the affairs of these companies?

Century Bond & Management Company which has been formed by former executives of the defunct W. A. MacKenzie & Co. and which maintains offices at 67 Yonge Street, Toronto, has been keeping in fairly close touch with the various MacKenzie issues.

Montreal Trust Company is acting as receiver and manager for the General Brock Hotel Company and while improvement in business is expected during July apparently business during the last six months has not been any more than sufficient to cover cost of operations and current taxes. The company is in arrears of tax payments and it would seem that there will be no earnings to apply to bond interest for some time.

Bishop Realty Co. is in just about the same position and any surplus earnings must go to cover arrears in taxes. The Medico-Dental Building in Montreal, owned by Bishop Realty Co., is being operated by Ernst Pitt & Co., Montreal.

Apparently there is no move on foot to reorganize either of these companies in the immediate future. There is no market on the Bishop Realty Bonds and the bid on General Brock Hotel bonds is 18.

Beauharnois Bonds

What advice would you give me as to a switch from a Beauharnois debenture into some other security? If necessary, I can do without income until 1938. The question is whether I should do better to sell and buy some other depreciated bond, such as Shawinigan Power 5's, due 1970, that is still paying interest.

The Beauharnois Power 6 per cent debentures due October 1, 1959, are currently bid at 49, while the Shawinigan Power 5's due February 1, 1970, are offered at 86. Power contracts already in force with Montreal Light, Heat and Power Con. and the Ontario Hydro-Electric Power Commission would seem to assure payment of interest on the new Beauharnois bonds in 1938. The present bonds are exchangeable for 5 per cent bonds due April 1, 1973, to the amount of $1,200 of new bonds for each $1,000 of the present bonds plus a bonus of 5 shares of common stock per $1,000 bond. This common stock will have some market value and presumably will sell at higher prices when the company makes full delivery of power.

It has been estimated that the new Beauharnois bonds should sell at approximately the same price as the present bonds before the end of the current year and that the bonds should appreciate in price as the time of interest payment draws nearer. If the bonds sell on a 6 per cent basis at October 1, 1937, they would be selling at 85.37 and if they sold on a 7 per cent basis at the same date they would be selling at 73.9. If this is a reasonable assumption, the bonds appear to be somewhat undervalued at the present time. If the Shawinigan bonds sold on a 6 per cent basis in October, 1937, they would be selling at approximately 86. It is against the policy of The Financial Post to advise switches. There would appear to be, however, slightly more to be gained through appreciation of the Beauharnois bonds up until 1938 than you could secure in interest and appreciation in Shawinigan bonds.

Can. Int. Investment

What are the present position and prospects of the 5 per cent bonds of Canadian International Investment Trust Ltd.?

Latest information on Canadian International Investment Trust Ltd. is that contained in the statement for the year ended February 28, 1933. On that date, the market value of investment was $2,286,900 and there was $1,826,000 of 5 per cent collateral trust bonds due 1959 outstanding. Income of the company was down to $172,856 from $238,124 the previous year, but after deduction for general expenses, the net earnings of the company were $154,443 as against bond interest requirements of $94,674. In view of these figures and general appreciation of securities since the end of March it would seem that the bonds of the trust are fairly well secured. The current market for these bonds is 65 bid and 75 asked.

Alberta Pacific

As an interested reader of your paper, who has sought your well-given advice on a previous occasion, I would be very much obliged if you would again give me your opinion on a speculation of Alberta Pacific Grain Common at about $4 to $5.

At a meeting of shareholders of the Alberta Pacific Grain Co. on November 1, 1932, a by-law was approved to cancel 20,000 class B no par value voting shares of the company. The by-law also provides for the elimination of the non-voting restrictions on the class A no par value shares of the company, but this in no way will affect the voting rights of the preferred shareholders which are exclusive so long as dividends remain in arrears.

Dividends on the preferred stock were paid regularly from date of incorporation in 1926, up to and including July 1, 1930. The October, 1930, payment was deferred and none has been paid since. You are interested in the common stock but the common will not be able, either to vote or to share in earnings until the back dividends are paid on preferred stock. No dividend was ever paid on the common stock since incorporation.

The company had an excellent situation until losses in the year 1929-30, due to unauthorized transactions through which the company suffered considerably. From having working capital of nearly $2,000,000 the company in one year dropped to having a deficiency of more than $600,000. The banks came to the rescue with loans amounting to $1,293,047 and half of these have been paid off. The company has made progress in regularizing its position. The old officers responsible for the losses in 1930 quit the company but under the best of conditions it will probably be years before the common stock can hope to have dividends.

Cousins, Guaranteed

Can you tell me how Ernest Cousins, and Guaranteed Pure Milk Co. have been getting along?

Ernest Cousins, Ltd., Montreal, was started in 1889 by Ernest Cousins who formed a company in 1914 with $125,000 capital. By 1925 the capitalization had become $203,100 and by 1928 about double that amount. Dividends were paid on the preferred shares and nothing on the common. The son stated at Ottawa in March last that the business was worth $153,100 but at a later date his father, the president, gave the opinion that it was worth half a million dollars. Ernest Cousins, Ltd., 1931 sales were 88 per cent wholesale and 12 per cent retail and totalled $667,962 on which gross profit was $101,901 and net profit $16,516. In 1932 sales were $689,650, gross profit $114,954 and net profit $17,469.

Guaranteed Pure Milk Company, of Montreal, had its early beginning in the fall of 1885 when George Hogg, its present president, then a dairy farmer, milked his cows, cooled his milk and with a helper delivered the milk in the city. His business increased to 1902 when he took over a nearly bankrupt company in the city and built up the present strong company. In 1920 the company secured a Dominion charter, issued $500,000 in bonds and $75,000 shares of no par common stock. The amount of money that has gone into the business was stated by Mr. Hogg to be $1,975,557. No dividends have been paid on common. Earnings have been turned back into the company.

Canada Bread

In 1924, I purchased 152 shares of the old common stock, at about $50 a share, of Canada Bread Co.

Afterward it was split up into 152 shares of preferred B stock and 152 shares of new common.

My impression is that the new common was split up 8 for 1, but I never changed my certificates, still having 152 preferred B and 152 common. I note quotations in "The Post," to which I subscribe, of 22 for preferred B and six for some sort of common stock. It would make a difference in value of my holdings if quotation of six applied to 152 shares of common or 8 × 152 = 1,216 shares of common.

Will you kindly enlighten me?

In June, 1925, common shareholders received one newly issued 7 per cent class B share, and a stock bonus of one newly issued no par value common share for every share of $100 par common then held.

On May 29, 1929, shareholders ratified a split in the 25,000 common shares of no par value then outstanding on a basis of 8 for one. The 25,000 common shares of no par value authorized and issued were then replaced by 200,000 common shares of no par value. New shares were issued on August 12, 1929 and were finally listed on the exchange on August 20, 1929.

Mining Enquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A three-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance enquiries on sheets separate from mining enquiries. No answers can be given by telephone or telegram.

Arno Gold

I shall be glad to have all the facts you are aware of concerning the above named mine. I shall be interested to know who are on the board of directors and whether the mine in your opinion is a good prospect or not and when do you consider it will be in operation?

Arno Mines has been through several financial reorganizations and has never demonstrated it has outstanding importance. The directors of the company are: Charles McD. Logan, Renfrew, Ont.; F. A. Sproule; Major L. T. Burwash; J. Lorne McDougall; Gerard Richard; A. C. McDougall and W. J. Grace, of Ottawa.

The company is nowhere near the production stage, it has not demonstrated as yet that its property warrants any production programme.

Stadacona Rouyn

Would you kindly give me any information you may have with regard to Stadacona Gold Mines and the prospects for investment at present levels?

Stadacona Rouyn Mines has an interesting gold prospect at Pelletier Lake, Rouyn township, Quebec. The company has been handicapped for money to carry out a conclusive development programme, but it is understood that English funds to some extent have been forthcoming and work is now again under way. It will take considerable more work to determine its true importance. We believe the funds are being intelligently expended.

Robb Montbray

Perhaps you have some information about the "Robb Montbray" which is a mine.

Robb-Montbray is inactive and has been inactive for several years. The property did not respond favorably to development under the direction of Nipissing Mines, and all work was suspended. The company has about $100,000 in its treasury. There is nothing to indicate at the present time that exploration work at the property will be resumed.

Ventures, Royalite, Nipissing

I would appreciate any advice you can give regarding the following stocks which I hold: 100 Ventures at $1.30; 15 Royalite at $25; 50 Nipissing at $2.30.

The position of Ventures must naturally fluctuate widely with the changes in demand and price of base metals. The company operates as a promotion, holding, investment, trading, exploration and development company and is the key company for the various Lindsley enterprizes. The company owns a number of properties in Quebec, Ontario and in the Great Bear Lake district. Little work has been done on these and activity probably awaits the coming of interest in the district and in mining properties again. Its subsidiaries include Beattie Gold, Ventures Claims, Island Lake Mines, Opemiska Copper Mines, Kenora Prospectors and Miners and Louvicourt Mines. It has interest in about 17 other companies, some of which are exploration companies, some of which are mines built around prospects and some of which are mines at present in operation, such as Eldorado Gold Mines, Falconbridge Nickel Co., Siscoe Gold Mines. Its current assets position is rather low and its future must rest with development of the companies in which it has an interest. It may take years for an intense demand for metals of all kinds to develop again. In such a period this company's shares would probably draw considerable attention.

Royalite Oil, a subsidiary of Imperial Oil, has been the most successful company in the Turner Valley region. That region is now being operated under a conservation commission and the position of Royalite must be considered along with the prospects of depletion during the next decade or two. In the Turner Valley many of its possibilities have been realized.

Nipissing Mines has been one of the best dividend payers in Canada and it still has net current assets of around $3,000,000. It suspended its grain operations in Cobalt and its present prospects are lined up with the hopes of Beattie Gold Mines. Some good results have been obtained.

Hoping for Rise

One of our customers is a widow of from between 63 and 64 years of age and is dependent to a certain extent on the income from holdings. She has been contemplating selling at market price and purchasing an annuity giving a guarantee of the return of purchase price, which at her age would pay approximately eight per cent per annum. You will notice that some of the stocks and bonds are not paying interest at this time and it would seem that although possibly a sale today might mean certain sacrifice, the purchase of an annuity would no doubt materially increase her income. Kindly write us stating if you consider her action wise or do you think she would be wise to wait another year in the hope that the list might appreciate to some extent or on the other hand would the chance of a possible reduction in price through some of the holdings stop paying their interest or dividends?

One can never tell what a year will bring forth on the stock market. Hopes are strong that in a number of cases there will be improvement in market prices during the next year. The pension idea in the case of a widow of from 63 to 64 years of age is a good one because of the larger return and the certainty of that return. Canada Steamship Lines bonds are now in default, but most of the bonds held are in good standing as to payments to date. The bank stocks and the Montreal Power shares are also in excellent standing.

Sterling Great Bear

My husband bought 10 units in the Sterling Great Bear at $100 last September. He died in November. Two weeks ago an agent visited us and said the units were now worth $700 but if I held them till September they would be worth $1,000. Would you advise me to sell them now or wait?

The statement that Sterling Great Bear units are worth $70 each voices the opinion of an optimistic booster for the company. The shares are not listed and there is no marketable value attached to them. If you could get $700 for the ten units, or even $70, the opportunity should not be lost rather than speculating on what the future holds.

Swayze-Huycke

What do you think of the Swayze-Huycke Gold Syndicate $100 Units for an investment also the Great Bear Mining Syndicate Units at $10?

The Swayze-Huycke Gold Syndicate staked claims in an interesting section of the Swayze area. Ontario's newest and one of the most interesting gold sections. The company is now raising money to prospect and develop its claims. The people behind it are well regarded and we believe any funds raised will be intelligently spent on development work.

Great Bear Mining Syndicate is one of the dozens of syndicates formed to develop properties in the Great Bear Lake area. Our understanding is that practically no work has been done and the company's holdings are undeveloped claims, the importance of which can only be determined by an extensive development programme.

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WANT LOWER DUTY ON CHROME SALT

Bathurst P. & P. Application Before Tariff Board—Three Other Briefs

Applications for tariff revision from four Canadian manufacturers have been received by the Tariff Board and their briefs will receive first hearing on July 27 and 28.

Revision of the British preferential tariff on chrome salt cake is asked by the Bathurst Power and Paper Co. which uses this material in the manufacture of kraft wood-pulp. Under the present tariff a duty of $9 a ton is payable on salt cake from Britain and the Bathurst Co. claim that even with this impost it can be laid down at Bathurst, N.B., cheaper than that from Saskatchewan, the only Canadian source. The company stresses the large proportion of the cost of the finished material which this duty of $9 a ton makes up and claims it is almost unable to operate under present conditions.

Application by Engravers Specialties, Toronto, for increase in the duty charged on collodion. Claim is that import duties amount to 24 cents a gallon while the Canadian manufacturer is charged duties, excise and bond fees totalling 68 cents a gallon.

Bowron Brothers, Ltd., Hamilton, request a separate tariff item and free entry for ripe figs imported in bulk for further packaging in Canada. Figs are imported from California in gallon containers and repacked in fancy syrup in small tins for the Canadian market.

Request of the Jones Tent & Awning Co. for a tariff on Venetian blinds from Great Britain is the last application on the current list.

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6. Capital structure and funded debt.
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MONTREAL TRAMS REDUCES DIVIDEND TO $2 QUARTERLY

Action Regarded as Reflecting Current Trend of Earnings

From Our Own Correspondent

MONTREAL. — Montreal Tramways Co. has reduced the dividend on its common stock from 2¼ to 2 per cent quarterly. On the previous basis the company paid $9 a share compared with the present scale of $8 a share.

From 1913 up to Oct. 15, 1932, Montreal Tramways paid regular quarterly dividends of $2.50 a share. For the last quarter of 1932 the dividend was reduced to $2.25 and again cut to $2 for the second quarter of 1933.

Reason for the reduction in dividends last year is seen in the income statement for 1932, which showed net earnings of $9.80 a share on the 70,000 shares outstanding. This compared with dividend paid of $9.75.

Current Earnings Position

At the annual meeting of the company last April, Julian C. Smith, president, told the shareholders that although receipts for the first quarter of the current year declined 11.44 per cent, operating expenses declined 14.45 per cent. This latter decrease was due principally to the re-adjustment of employees' wages which went into effect at the beginning of the year.

Returns for the first quarter would indicate that net revenues were on a basis permitting continuation of the $2.25 quarterly dividend. The fact that the dividend has again been reduced is taken to indicate that revenues for the second quarter of 1933 were not as satisfactory as in the previous three months.

E. M. B. PASSES AFTER YEARS OF SUCCESS

(Continued from page 1)

have an Empire-wide significance should be divided on a more carefully devised basis between the countries of the Empire.

One organization was recommended for disbandment. This is the Imperial Institute, a scientific and museum organization which has been in existence for over a generation and which has continued its work largely because of a very large endowment fund given to it at the start and supplemented by later contributions. It gets out reports on Empire minerals and collates other scientific data. The money has been almost entirely used up and unless a new source of revenue were found the body would be without funds by 1937. The institute has never had much interest for Canada.

Effective Work Done

The other organization which the committee does not recommend for continuance is the Empire Marketing Board. This body came into existence nine years ago when, as a result of a change of government and a very difficult election, the Conservative government of Mr. Baldwin found itself unable to implement its promise of preferential tariffs to the Dominions. In a moment of magnanimity the government offered an annual vote of £1,000,000 to be devoted to the extension of the sale of Empire produce in the British Isles in an endeavor to build up a consumer preference for Empire goods as an effective substitute for fiscal preferences. Provision was also made for the granting of assistance to research work in connection with the production and sale of Empire foodstuffs.

The E. M. B. has really done a magnificent job. The emphasis upon different phases of its work has shifted from time to time but its huge advertising displays, its exhibitions, and its other promotional activities will long be remembered and there is ample evidence that they did strengthen the British demand for such products as apples from Canada, other fruit from South Africa, wool from Australia, salmon from Newfoundland, etc. It never did spend as much as £1,000,000 in any single year and recently its activities have been considerably curtailed because policies of economy in Whitehall have reduced its annual allowance.

Costs Cause Closure

When Great Britain abandoned its free trade position and was thus able to offer preferential tariffs to the Dominions the long standing promise of Mr. Baldwin was fulfilled and the need for a substitute measure of preference was lessened. The British government, experiencing budget difficulties of no mean order of magnitude, was not very enthusiastic about spending its own money, without contribution from the Dominions (except in connection with domestic research activities), to promote the sale of Empire produce which was now enjoying a preference through the customs tariff.

As it was quite apparent that the British government was not prepared to renew the financial grant of the board when it expires at the end of September next the Committee on Economic Co-operation was presented with a virtual "fait accompli" and instead of recommending continuance of the board it has merely recommended that certain of its activities, such as the study of markets, and the survey of production and trade, should be turned over to the already existing Imperial Economic Committee and that any research activities should be made the subject of a special study and consultation between the governments interested to find other ways of having the useful ones continued.

This leaves in the air such research work as that of the Newfoundland Fisheries Commission.

Future Costs Small

This will increase the cost of the committee's work. As the Imperial Shipping Committee is to be carried on and the eight Imperial agricultural bureaus are to have their work more closely co-ordinated, a total expenditure on Imperial Economic Co-ordination of £24,000 per annum is envisioned of which Canada is asked to contribute only £3,840 a year.

Various observers in London have commented upon the useful work formerly done by the Empire Marketing Board and have suggested that a way should be found to carry on its work, probably with contributions from all the countries of the Empire.

Want One Organization

In the address referred to, Sir Fabian Ware expressed his disappointment that the study committee did not see fit to recommend the establishment of one general committee of Imperial co-operation to co-ordinate the work of all Empire trade building agencies.

On the other hand, there are those who point out that such agencies tend to become somewhat stultified and bureaucratic and that they find ways to perpetuate themselves, in the interests of the jobholders, long after their original purposes have been served or perhaps forgotten. There is, for instance, a significant bit of history in the study committee's report on the Imperial Shipping Committee. This organization was formed as a result of discussions in the Imperial War Cabinet when it was decided to make a survey of Empire routes for shipping.

Many Poorer Groups Continue

No sooner was the Shipping Committee set up than it was found that the proposal was impracticable. But the committee was not disbanded. It found itself another group of jobs to do and it has made special studies of many shipping problems referred to it by different governments or by unofficial bodies. The committee has, for instance, made a study of insurance rates on the St. Lawrence and has undertaken a similar investigation of the Hudson's Bay route and the rates charged by underwriters for covering risks. In this committee, the work undertaken was probably just as useful as that originally assigned to it but other committees of this character do not always perpetuate themselves in the same practical manner.

Crop Prospects

WHEAT PROSPECTS BELOW AVERAGE

Drought, Heat and Pests Thin Stands, Shorten Straw

Below average prospects for the Western wheat crop are admitted by the Dominion Bureau of Statistics weekly crop report dated July 4, heat, drought and insects having thinned the stands and shortened the straw. (This report was completed, however, prior to the rains early this week.) Unfortunately, the greatest damage has been done in those districts where wheat production is most specialized, the report states, namely, southern Manitoba, southeastern, southwestern and west-central Saskatchewan, and southern and central Alberta.

During the past week temperatures have been fairly high and the scattered showers received were barely sufficient to maintain the crop in many districts, while further deterioration occurred along the southern boundary. Much of the early sown wheat is now headed with both heads and straw short. Grasshopper damage is still serious, with migration imminent, and control measures are either stopped or curtailed. Hail damage was limited to a severe storm in south-central Saskatchewan. General rains are required throughout the West.

WHEAT CROP DOWN IN SIX COUNTRIES

Wheat production in nine countries that grow more than 30 per cent of the world crop outside Russia and China is forecast at 983,891,000 bushels in 1933 against 1,154,221,000 bushels harvested in 1932, by the U. S. Bureau of Agricultural Economics. These countries produced 1,421,961,000 bushels in 1931. Seeding is almost completed in Australia and is proceeding under fairly favorable conditions in Argentina.

Of the nine countries — United States, Mexico, Spain, Algeria, Morocco, Tunis, Egypt, India and Japan— only three countries—Mexico, India and Japan—expect increased production this year over last. The crop in India is forecast at 347,162,000 bushels compared with 339,621,000 bushels last year.

The bureau reports favorable wheat prospects but probable reduced yields in Germany, an early harvest in France, better than average wheat condition in Czechoslovakia, some deterioration of the crop in Poland, and above average condition in Sweden. The 1932-33 crop in Uruguay will be insufficient to meet domestic consumption requirements for the current season, Buenos Aires reports state.

Reporting on the bread and durum wheat situation in Mediterranean countries, the bureau says that somewhat reduced out-turns are expected in Italy, French North Africa, Spain and Portugal.

Wheat

From Our Grain Correspondent

Crop Estimates

WHILE it is obviously impossible to predict with any degree of certainty even an approximate figure for this year's western wheat crop, figures which are being mentioned in grain circles are generally close to 350,000,000 bushels. Assuming that this figure is near the mark, it represents a decline of almost 70,000,000 bushels for last year and much the same decline from the average of the past five years. Without any attempt at acreage reduction, then, Mother Nature has stepped in and reduced the crop one-sixth.

It is a much more simple matter to estimate the carryover which will remain at July 31. Few estimates which have been made stray far from the 175,000,000 bushel mark, a staggering figure even though anticipated. As the carryover at the end of the 1932 crop year was approximately 131,000,000 bushels, 44,000,000 bushels will have been added on this basis by the average 1932 crop and the 1933 crop year's transactions. However, given the same export situation as during the current year and a crop of 350 million bushels, some reduction in the carryover will be accomplished before July 31, 1934, rolls round.

* * *

Short Crop for Australia

INFORMATION about Australian conditions has been somewhat meagre of late, but there have been continued indications that Australia expects the wheat crop recently seeded to be small, both because of somewhat reduced acreage, and extremely dry weather which has prevailed. One of these is contained in the latest Australian proposals at London with respect to a possible agreement for reducing wheat acreage or applying export quotas to the wheat trade. Australia demanded, should any quota be agreed to, that any deficiency in her exports for 1933-34 should be made up by an additional quota during the following year, which at least shows that she does not expect the coming crop to give her a normal export surplus.

* * *

Russia as Market Factor

EUROPEAN markets are beginning to speculate on the possibilities of Russion production this year, and the general opinion seems to be that Russia is likely to have a comparatively small crop of wheat. It is true that reports recently emphasized the large acreage that had been sown to spring grains, and the spring wheat acreage was given as ahead of last year. But the gain in spring wheat acreage appears to have been mainly at the expense of winter wheat, of which the full seeding programme was not completed last fall.

It would, be dangerous to assume, however, that Russia will refuse to export wheat at the beginning of the new crop year, even if exports are likely to leave her short later in the year, if prices then prevailing seem sufficiently attractive. In that connection the British duty of two shillings a quarter might assume some importance this year, but the reopening of Russian-British trade just arranged for at least makes possible once more Russian wheat exports to the British market.

Winnipeg Grain Prices

Week to July 4

Crop year from Aug. 1, 1932 High	Crop year from Aug. 1, 1932 Low		Open June 28	High for week	Low for week	Close July 4
		Wheat				
.81	.43⅝	July	.78	.81	.70½	.79⅝
.83⅝	.46⅝	October	.81	.83⅝	.73⅛	.82⅝
.85½	.65	December	.82	.85½	.74¾	.83⅞
.90½	.79¼	May	...	.90½	.79¼	.88⅛
		Oats				
.37¾	.21½	July	.35½	.37¾	.31⅞	.37¾
.39⅝	.21⅞	October	.37⅞	.39⅛	.33¾	.39¼
.40	.28½	December	.39	.40	.34¼	.40
		Barley				
.46¼	.26	July	.45	.46¼	.40⅛	.46⅛
.49	.27¼	October	.47	.49	.42¼	.48¾
.50	.39⅝	December	.48	.50	.43½	.49⅝
		Flax				
1.74½	.71⅝	July	1.56	1.67⅞	1.49	1.67⅞
1.75	.76	October	1.69	1.70¼	1.50	1.70¼
1.72¼	1.22½	December	1.60	1.69¾	1.50	1.69¾
		Rye				
.69¼	.31	July	.65¾	.69¼	.57¾	.68⅛
.71⅞	.34	October	.68¾	.71⅞	.59¾	.70⅞
.73⅞	.52⅛	December	.70	.73⅞	.61½	.72

Grain and Milling in Canada

WHEAT PRICE DEPENDS ON DOLLAR LEVEL

Present Strong Market Merely Gamble in Currency Movements

MANY U. S. A. BUYERS

Market May be Well Informed on Future Trend of Both U. S. A. and Canadian Dollar, It is Thought

From Our Own Correspondent

WINNIPEG. — It is really a money market more than a wheat market which has been swirling madly in Winnipeg this week. What is being registered there is not so much opinion as to the value of wheat, but opinion as to the value, both present and prospective, of the dollar, and not the Canadian dollar primarily, but if the term can be invented, the North American dollar, as representing a combination of the dollar of the United States and that of Canada. For reasons which are to be accepted rather than explained these two dollars are holding a fairly close relationship to each other, no matter what happens to comparative values of other currencies.

The Chicago market, on the contrary, which two months and more ago was essentially a money market, and began to register the prospective fall of the United States dollar before it was registered elsewhere, is now much more essentially a grain market. Its price movements have ceased to have much direct relationship with the course of international exchange, and register rather the domestic situation in grain, and the fact that this year's production will fall far short of normal domestic consumption. A number of private crop estimates released on Saturday and Monday were regarded as being sensationally bullish, although as a matter of fact they did little but confirm general knowledge of the situation.

U. S. Crop Estimates

They indicated a total wheat production of less than 525,000,000 bushels, of oats 800,000,000 bushels, and of corn less than 2,500,000,000 bushels, in all a total grain production of about 1,000,000,000 bushels less than last year. In addition, and not covered by the estimates, is a very short production of grass over large areas. Under such circumstances grain prices in the United States are seeking the level at which there will be equilibrium between the supplies absorbed by domestic consumption, and the quantities to be offered, and fluctuations in dollar value, with export business out of the question, have little to do with either the immediate or the prospective situation, except as the whole level of prices within the country may ultimately be affected.

The Canadian market, however, based as it is upon export, must, no matter how it may be temporarily disturbed, adjust itself to price levels abroad, and the value of the dollar, both immediately and in the future, is an element that must make itself vigorously felt.

Consequently, a correct guess at what may be in the mind of the President of the United States as to the international value of the dollar may be of more importance in predicting the course of prices on the Winnipeg market than statistics on wheat movement. An intimation at the close of last week that he was understood to believe that depreciation of the dollar had not yet gone far enough had perhaps more real significance in promoting buying in Winnipeg, than did estimates of the probable outturn of United States crops. If the dollar had already achieved a fall of nearly 25 per cent from gold parity, as measured by the French franc, was there anything to prevent a fall to 30, to 40 to 50 per cent? Might not at least a fall to parity with the British pound, 30 per cent off gold, be aimed at?

While the source of buying in the market is not to be traced, and the motives and ideas that prompt buying are necessarily conjectural, it is known that much of the recent purchasing of wheat has come from south of the border, and a good deal by way of New York. It is quite possible that purchasers have been moved as much by their ideas on exchange, which might or might not be sound, as by an impression that prices in Winnipeg where bound to move up along with those in the United States, which would be unsound.

Government Position

If it is the battle of the dollar, and not the battle of wheat, which is being recorded on the grain market, the position of the Dominion Government in the market assumes a different aspect. A Government may well be wrong about wheat, and experience suggests the probability both of error and of doubt. But on exchange it is least likely to have a strong opinion, and to feel more at home in the dealing with money than with wheat.

Canada's Prime Minister is now in a position at London to develop some fairly definite ideas as to exchange probabilities, to realize at least as soon as the market that the United States was not to be turned from the Government's price-raising programme by any objections from the gold standard countries as to developments in the exchange market. The tightness with which the Government's holdings in the wheat futures market appear to have been retained quite conceivably have been due to opinions formed at London.

Erratic Behavior

The behavior of the wheat market appears to have been highly erratic, with the rapid advance at the beginning of last week followed by an almost equally rapid decline, and then another upward whirl at the beginning of this week. It has been somewhat less erratic when the course of exchange is taken into consideration, and the fluctuating possibilities of the situation. But several causes have contributed to the extent of fluctuations.

First comes an illogical overextension of influence from rises in the Chicago market, which at times has been manifest in speculative buying. Next is the extreme narrowness of the Winnipeg market, with the bulk of futures held for the account of the Dominion Government, which causes any given amount of buying to have more than a natural effect on the course of prices. That must be considered to exist even when the Government agency is disposing of fairly large quantities, as may have been the case from time to time. In a market free from such influence, every bushel of futures held may be considered to be for sale under some condition or other, but no more than a small fraction of the Government's holdings are subject to the possibility of sale at any given moment.

Liverpool Out of Line

Then there has been the suspension of operations which normally keep Winnipeg and Liverpool fairly well in line. This is not altogether to be blamed on Canadian wheat being held at too high prices, but is partly to be attributed to the dangers and difficulties of doing business at any price level, which makes exporters reluctant to make offers of wheat. Liverpool has thus at times been left short of offerings resulting in the appearance of greater strength than actually exists in that market. And because of the difficulty of determining to what extent our market is actually out of line with Liverpool and the fact that any large export business might be impossible anyway, there has been a tendency to ignore the fact that our quotations have been out of line at all, and that days have passed without any export business being done.

But in spite of its erratic nature, there is nothing to prove that this is not one of the markets that predicts the future course of events, and subsequent valuation of the dollar may justify the quotations now being registered.

Crop Conditions Down 20 P. C.

From Last Year

Wheat crop conditions at June 30 were well below last year's level at that time and also the normal condition, according to the estimate of the Searle Grain Co., Winnipeg. On the basis of the average equalling 100 per cent, the percentage of the three provinces was estimated as follows: Alberta 80; Saskatchewan 71 and Manitoba 83. Last year at the same date the percentages were 102, 88 and 94 respectively.

Returns are compiled from reports of 845 stations and further show that the average height of the wheat plant at June 30 was 9 inches in Alberta, 10 inches in Saskatchewan and 15 inches in Manitoba. Six per cent of the wheat was headed in Alberta, 11 per cent in Saskatchewan and 31 per cent in Manitoba.

Reports of damage from weather and pests are listed by the number of stations reporting and by provinces, as follows:

No. of Stations Reporting Damage

	Alta.	Sask.	Man.
Total No. stations	266	465	114
Drought	126	214	61
Hail	30	48	13
Browning disease	10	66	6
Grasshoppers	47	178	57

Prairie Rain Brings Relief To Wheat Crop

From Our Own Correspondent

WINNIPEG.—Heavy rains this week over the Western wheat belt, where land and crops and been steadily drying up, much improved the outlook for production. Had those rains not appeared the full extent of damage to the Western crop, which had been predicted in some reports, might have materialized. At present it would seem that well over half, and possibly two-thirds of the Western wheat area might produce an average crop or better, granted good conditions during July, and that prospects on from one-quarter to one-third might be called very good. But on at least a third of the wheat area prospects range downward from merely fair to very poor, and even in some cases to almost complete failure. The latter is to be found in a somewhat limited area in Southern Saskatchewan where grasshoppers have completed devastation begun by drought.

Maturing Rapidly

A resumption of hot weather is bringing the crop along toward maturity more rapidly than is consistent with maximum returns, although increasing the likelihood of escape from rust and early frost. July is always considered to be the critical month for the crop, the time during which the maximum amount of damage can be done, and even the best districts can suffer a good deal of deterioration from now on.

It is very difficult as yet to appraise the full extent of grasshopper damage. On the whole, it seems likely to be somewhat less than was earlier assumed to be probable, and in many districts the poisoning campaign is believed to have turned the tide. But most of them have now attained full growth and have begun to fly, invading fields formerly immune, and as to the possibilities of that situation very little is known.

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Position of Chartered Banks of Canada as of May 31, 1933, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Balance Due to Dominion Government	Advances under Finance Act	Balances Due to Provincial Governments	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere	Bal. due to other banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding
	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	33,472,388	7,085,482	9,000,000	3,478,264	134,428,822	396,096,964	63,943,123	2,538,586	911,657	5,307,153	48,221	5,468,274
Nova Scotia	10,881,258	3,051,233	3,214,000	320,594	33,388,602	133,889,091	35,817,260	2,205,116	140,326	1,823,203	157,450	5,488,146
Toronto	5,826,789	1,276,900	1,500,000	927,015	23,466,449	66,572,041	....	641,160	191,491	2,145,273	....	865,849
Provinciale	3,372,615	663,760	600,000	64,133	3,941,474	31,634,036	....	164	....	33,777	....	16,203
Commerce	23,353,935	5,516,181	7,000,000	3,530,782	111,576,301	289,662,054	38,363,459	2,119,610	775,253	7,506,558	17,399	11,539,480
Royal	29,124,817	8,558,368	9,000,000	4,794,685	124,595,471	262,792,407	165,450,950	817,296	388,195	11,116,463	245,724	20,424,102
Dominion	6,018,470	1,411,958	3,456,000	593,958	24,040,892	60,467,583	1,353,246	891,894	73,447	885,459	....	1,530,417
Nationale	8,236,994	1,460,777	6,900,000	1,427,622	17,212,928	79,593,379	1,195,125	770,598	18,971	234,092	....	288,414
Imperial	7,816,580	1,631,110	1,590,000	3,642,608	25,148,253	74,782,417	....	1,755,069	143,916	1,162,786	....	826,006
Barclays (Canada)	261,545	174,023	84,000	150,000	1,118,682	1,329,835	....	445,687	2,037,516	1,306,102	....	24,504
Total	128,365,391	30,829,792	42,344,000	18,929,751	498,917,874	1,396,819,807	306,123,163	12,185,480	4,680,772	31,520,866	468,794	46,471,395

NAME OF BANK	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	Capital Authorized	Capital Subscribed	% Last dividend	*Loans to Directors and firms of which they are partners	Average gold and Coin Held	Average Dominion Notes Held	Greatest amount of notes in Circ.
	$	$	$	$	$	$	$	%	$	$	$	$
Montreal	1,593,625	730,051	38,000,000	36,000,000	738,102,614	50,000,000	36,000,000	8	1,913,140	18,382,438	49,117,012	35,582,088
Nova Scotia	119,755	8,720	24,000,000	12,000,000	266,504,761	15,000,000	12,000,000	12	2,965,983	9,924,793	13,511,034	11,455,335
Toronto	176,936	152,371	9,000,000	6,000,000	118,742,278	10,000,000	6,000,000	10	1,137,735	371,100	7,710,300	6,263,583
Provinciale	2,460	64,628	1,500,000	4,000,000	45,893,254	5,000,000	4,000,000	6	545,541	224,518	423,762	3,758,002
Commerce	....	614,609	30,000,000	30,000,000	561,575,626	50,000,000	30,000,000	8	4,392,741	11,746,000	27,183,000	28,024,779
Royal	85,860	710,610	35,000,000	35,000,000	708,104,954	50,000,000	35,000,000	8	2,588,304	11,861,109	19,979,296	30,898,867
Dominion	195,287	1,584	9,000,000	7,000,000	116,920,198	10,000,000	7,000,000	10	1,109,785	666,000	3,336,000	6,459,805
Nationale	....	179,489	7,000,000	7,000,000	131,518,392	10,000,000	7,000,000	10	409,704	942,472	1,092,583	9,048,084
Imperial	....	6,737	8,000,000	7,000,000	133,505,576	10,000,000	7,000,000	10	437,579	486,179	5,183,489	8,241,060
Barclays (Canada)	....	....	500,000	500,000	7,931,898	500,000	500,000	..	....	12,061	139,170	283,685
Total	2,173,923	2,468,799	162,000,000	144,500,000	2,828,799,551	210,500,000	144,500,000	......	15,500,512	54,616,670	127,675,616	137,047,534

* And loans for which they are guarantors.

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from other banks in Canada	Due from banks in U.K.	Due from banks elsewhere	Government securities	Canadian municipal British and foreign securities	Railway and other bonds and Stocks	Call loans in Canada	Call loans elsewhere
	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	18,671,389	43,351,640	2,301,953	381,779	24,370,398	....	4,945,727	12,326,690	239,125,959	46,964,791	2,363,031	4,378,377	29,056,846
Nova Scotia	10,081,443	12,529,033	764,143	2,140,055	9,498,358	....	2,649,094	6,347,818	54,335,859	18,952,730	7,712,125	12,579,063	1,822,054
Toronto	387,325	11,590,358	458,450	16,432	4,827,118	....	2,151,925	1,313,132	36,037,015	7,629,498	1,507,358	4,019,950	....
Provinciale	239,121	418,993	446,900	30,083	1,317,217	1,871,926	1,484	71,372	9,702,562	4,629,613	3,417,124	4,741,361	
Commerce†	11,869,384	20,663,261	1,470,210	1,498,122	18,064,963	14,695	2,062,801	14,145,806	109,104,853	37,621,187	12,072,081	24,166,303	18,476,965
Royal‡	12,105,356	33,432,093	2,186,576	18,538,172	21,070,340	2,514	1,710,490	26,704,921	95,924,707	22,883,222	9,650,735	26,001,597	38,977,402
Dominion	659,876	2,593,239	555,705	38,324	4,585,450	....	173,685	1,263,368	28,431,837	4,993,009	2,629,498	6,393,326	1,868,544
Nationale§	975,145	1,204,828	441,245	40,388	2,349,517	485,781	46,719	812,126	28,120,144	12,758,173	3,508,502	5,747,743	....
Imperial	481,378	3,701,178	560,225	25,893	5,429,620	616,809	1,741,351	2,109,169	29,474,549	5,536,431	158,474	5,603,279	....
Barclays (Canada)	12,626	244,074	8,728	3,121	531,001	1,326,239	2,833,285	105,500	835,312	84,611	30,850	135,420	....
Total	55,483,043	130,728,697	9,203,135	22,712,369	92,043,982	4,317,964	18,316,561	66,199,902	631,092,797	162,053,265	43,047,778	93,766,419	90,201,811

NAME OF BANK	Other current loans in Canada	Other current Loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank Premises	Letters of Credit	Deposit for note circulation	In central gold reserves	Shares of and loans to controlled companies	Other assets	Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	199,619,234	14,904,001	11,108,050	50,583,283	4,248,238	502,480	1,180,005	14,500,000	5,468,274	1,542,872	6,000,000	118,370	233,966	738,247,364
Nova Scotia	84,798,977	11,660,175	1,233,504	11,277,873	960,927	....	102,136	7,990,513	5,488,146	573,055	1,250,000	2,762,297	116,524	267,625,915
Toronto	37,744,011	....	....	5,065,928	390,594	....	80,343	3,734,950	865,849	206,603	1,130,866	....		119,257,714
Provinciale	14,241,365		....	1,407,898	169,181	599,685	379,951	2,164,488	16,203	197,600	....	....	173,385	46,237,523
Commerce†	176,242,725	14,760,223	8,367,628	37,128,818	3,124,314	2,683,131	2,573,701	14,950,313	11,539,480	1,250,000	4,000,000	4,004,238	498,003	562,350,216
Royal‡	232,414,319	106,177,472	1,298,952	13,836,544	4,317,283	2,547,918	844,077	17,200,384	20,424,102	1,600,000	3,000,000	6,532,199	436,186	709,817,374
Dominion	50,786,159	809,447	....	1,823,721	399,168	70,981	27,444	5,980,728	1,530,417	327,225	400,000	....	140,241	117,481,413
Nationale§	48,466,348	45,793	5,053,297	10,754,942	379,455	1,220,067	655,053	6,006,646	288,414	366,773	2,000,000	....	57,424	131,782,533
Imperial	51,490,281	....	5,599,051	11,061,753	268,949	189,462	423,174	6,013,224	826,006	436,848	1,700,566	....	85,759	134,552,737
Barclays (Canada)	1,274,539	....	....	....	25,064	....	....	450,000	24,504	14,365	....	....	....	7,939,244
Total	897,077,958	148,357,111	32,660,482	142,940,760	14,283,173	7,813,724	6,265,884	78,991,256	46,471,395	6,515,338	19,481,732	13,417,104	1,748,468	2,835,292,233

*Of this deposit $5,181,732 is in gold coin; the balance is in Dominion notes.

*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The figures of The Canadian Bank of Commerce (California) are incorporated in the above statement.—Footnote to Canadian Bank of Commerce return.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above statement.—Footnote to Royal Bank return.

§The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale, are included in the above return.—Footnote to Banque Canadienne Nationale return.

Insurance for Buyer and Seller

MOVE TO DEFINE MARINE COVERAGE INSURANCE RISKS

Canada Plans to Follow United States' Lead

Canadian fire, casualty and marine insurance officials are moving to get together and draw up an agreement defining marine underwriting powers as they affect other lines of business The Financial Post learns, thus following the lead given by National Convention of Insurance Commissioners of the United States. The agreement passed by this convention held recently in Chicago, is now being put into effect throughout the United States by the state superintendents of insurance.

In the United States, and to a lesser extent in Canada, writing of marine and inland transportation insurance was gradually becoming something of a "racket." Fire and casualty companies claimed that poaching on their preserves was becoming widespread and some jurisdiction was necessary in order to establish the dividing line between fire and casualty and those of marine and inland transportation.

Poaching Evident

As an example of what was going on, the following instance actually took place recently.

Transfer of securities by mail was covered by an inland transportation policy; this, of course, was their regular business. The inland transportation company then insured the valuables in transit between one office and another by messenger which was approaching the dividing line. The third move, that of insuring the messenger transporting these securities, immediately raised a protest from the Casualty Association which claimed that this was personal hold-up insurance, a line written by them exclusively. As there was no agreed code of ethics, settlement in this case was difficult.

Again, marine insurance on ocean shipments which covers fire, theft, damage by water, and many other lines, and is transferred with the goods and changes ownership without endorsement, was being allowed to run for increasingly longer periods after the goods were delivered and warehoused. It was found necessary to establish some definite time period as a maximum.

U. S. A. Agreement

Briefly, under the ruling approved by the commissioners, marine insurance covers only such risks as involve the hazard of transportation in the shipping of exports, imports and domestic trade. Furthermore, marine protection shall extend only 30 days after the goods have reached their destination. The marine companies also agreed to cease writing the so-called "householders' comprehensive policy" which combined a number of fire and casualty coverages. To reduce controversy to the minimum, a standing committee was authorized.

It has taken almost two years of committees and meetings in the United States to formulate this agreement but as finally acceded to by all bodies it represents a good deal of co-operation and appears to have given general satisfaction.

No definite action is expected in Canada until September, owing primarily to the difficulty of convening meetings during the summer months. A committee has been formed, however, by the Dominion Fire Association to investigate the question and during the past year the C. F. U. A. has a group studying the subject.

Favorably Impressed

Insurance officials interviewed by The Financial Post stated that they were very favorably impressed with the United States agreement and expected that it would be used as a model for that of Canada. Similarity between the United States agreement and any Canadian one is important, it was pointed out, in order to eliminate bootlegging and allow similarity of action between United States and Canadian offices.

Marine underwriters would welcome some code of rules to which they could comply, the manager of the marine department of one company told The Financial Post. In the past, he stated, they had perhaps written a few policies which neared the border line of fire or casualty, but a code of rules to which they could strictly adhere, if anywhere similar to those adopted in the United States, would not hurt their business to any extent, and would eliminate a considerable amount of controversy and bad feeling.

With regard to ocean marine risks, there is one important point which cannot be overlooked. Insurance on cargoes travelling between say, Australia and Canada, can be placed either in Australia or in Canada and therefore any jurisdiction which would place the Canadian marine underwriter at a disadvantage with his prototpye in Australia would immediately result in the entire loss of business for the Canadian. The same situation would, of course, arise in dealing with any other country.

W. R. Houghton Poor Golfer But Excellent Underwriter

When the Canadian Fire Underwriters' Association elected Wilfred Raleigh Houghton as president a few days ago they put in a man who will win no golf championships but who will be in the front rank when prizes for sound underwriting are being given out. Which is all as it should be.

Friends and company managers seem unanimous that the general manager for Canada of the London and Lancashire Insurance Co. is a poor golfer but a mighty good underwriter. They also are a little dubious of his bridge game but they counter with a strong commendation of his thoroughness, and his conscientious efforts toward the general improvement and welfare of the business.

Aids Institute Work

Typical of this is his interest and work on behalf of the Insurance Institute of Toronto. Since he came to Canada he has been on the educational committee of the Institute and few men have given so willingly of their time and talents to assist those who through this body seek to improve their knowledge and understanding of the business.

Mr. Houghton was born in Liverpool of Liverpool parents in 1880. Schooldays were spent at the Liverpool Institue and at the early age of 17 he entered the services of the company whose Canadian office he now heads.

Although he did not visit Canada until 1919 his association with this country dates back to 1910 for it was that year that he was placed in charge of the company's Canadian department at head office. He retained that position till 1919 when he was promoted to head of the company's foreign department. In 1926 he came to Canada as assistant manager of his company. Since then he has been promoted to full charge of Canadian operations.

Mr. Houghton left Toronto this week to pay a visit to the head office of his company. This trip to England will be the first he has taken since he came out in 1926. He will return in September.

COMPLAIN AGAINST CHANGE IN LAWS ON DEATH CLAIMS

B. C. Underwriters See Forced Withholding of 30 p.c. as Unnecessary

From Our Own Correspondent

VANCOUVER.—Life insurance underwriters of British Columbia have complained to the provincial government against compulsory withholding of 30 per cent of life insurance payments to preferred beneficiaries in estates exceeding $500 until letters of administration have been taken out. An amendment to the Succession Duties Act passed at the last session of the legislature makes this holdback compulsory.

Life underwriters asked permission to pay life insurance in full to preferred beneficiaries, irrespective of other estate, immediately upon receipt of claim, as was done before the amendment was passed.

Promised Revision

The underwriters were told by representatives of the government that an amendment will be brought down at the next session making it possible to expedite the settlement of small estates.

Complaint Not Justified

Head office officials of Toronto insurance companies generally agree that British Columbia remains in a preferred position as far as payment of life insurance monies to preferred beneficiaries is concerned, The Financial Post learns. They pointed out that only in Ontario and Manitoba is a company able to pay anything on receipt of death verification and without letters of administration. In Ontario only $1,000 may be so paid, while in Manitoba $2,500 is allowed. Whether this $2,500 payable in Manitoba is the total of insurance monies which can be released on receipt of death proof or whether it is the total which any one company can pay has apparently not been definitely established and some companies are wary of paying any funds without release from the government succession duties department.

The difficulty that has arisen in British Columbia is purely because for many years insurance monies could be paid in full to preferred beneficiaries. When the government found that they were losing considerable revenue through failure to pay succession duty the present legislation was introduced.

Release Simple

Complying with the provincial succession duty routine in the various provinces in order to secure release of insurance monies is comparatively simple, insurance men claim. With necessary immediate cash covered by the 70 per cent which can be released it would appear that little complaint can be found with the amended legislation in British Columbia, they say.

Business Jumps So Sun Meeting Shifts to Quebec

Sun Life Assurance Co. production club held its annual convention last week and thereby hangs a tale

A month or two ago, company officials made a customary estimate of attendance based on the year's production figures to date. Accordingly they reserved hotel accommodation for about 450 at St. Andrews-by-the-Sea.

But they overlooked the fact that a lot of people have decided the depression is over. Thus by the time the company's production year closed it was found that instead of 450 members there were 750 to be provided for, due to the unexpected improvement in busienss during the interim.

Since the S. R. O. sign had already appeared at St. Andrews around the 500 mark, a rapid shift was made and the club convention transferred holus bolus to the Chateau at Quebec. Members who attended, vote it the best the company has ever held.

Hail Damage Reports Thought Exaggerated

Although early reports placed the acreage smashed by hail as high as 350,000, later reports have been more conservative and the more recent estimates vary between 100,000 and 125,000 acres. Most of the damage has been done in Saskatchewan.

Combined opinion of the Saskatchewan Municipal Hail Insurance Associations and H. H. Campkin, representing line companies, is that not more than 125,000 acres were affected by hail damage in recent storms and that not more than 10 per cent of the crop in this area was destroyed.

One insurance group confirms the opinion that damage is not as severe as was first indicated stating that losses to the end of June are about on a par with last year. A smaller volume of business has been written by this group, however.

C. F. U. A. Celebrates 50 Years of Activity

Half a century of activity in fire insurance circles was celebrated by the Canadian Fire Underwriters' Association at a dinner held in Montreal on June 21. Among those present was F. W. Evans, Montreal, only living representative of the companies which originally signed the constitution.

Earlier in the day at a directors meeting, honorary officers and council were elected for the ensuing year. Names of those elected are as follows: W. R. Houghton, Toronto, president; W. E. Findlay, Montreal, vice-president for Quebec; William A. Thomson, Toronto, vice-president for Ontario; J. H. Labelle, Montreal; B. W. Ballard, Toronto, and Colin E. Sword, Toronto; on the executive committee, W. E. Baldwin, Montreal; J. H. Riddell, Toronto; A. M. Kirkpatrick, Toronto, vice-presidents continuing for another year; Douglas Cownie, Montreal; H. A. Joselin, Toronto; Edgar J. Kay, Montreal; C. Stuart Malcolm, Montreal; H. C. Mills, Toronto; J. W. Tatley, Montreal, members continuing on the executive for another year.

Harpell Appeal Dismissed; Judges' Decision Unanimous

Appeal of James J. Harpell, Gardenville, P.Q., publisher, against conviction of a charge of criminal libel preferred by T. B. Macaulay, president of the Sun Life Assurance Co. was dismissed by the unanimous judgment handed down by the court of the King's Bench, Montreal, on June 28.

As the decision of the appeal judges was unanimous, no further appeal is allowable. Mr. Harpell has surrendered under his bail and started to serve the three months sentence passed on him at the original trial.

Monthly Bank Clearings

	June, 1932	June, 1933
Halifax	$ 9,945,675	$ 9,111,337
Saint John	7,043,305	6,235,283
Moncton	3,249,911	2,922,159
Sherbrooke	2,429,010	2,633,291
Quebec	18,621,981	17,714,731
Montreal	337,852,928	422,390,386
Ottawa	21,460,977	20,327,832
Kingston	2,628,596	2,428,968
Peterboro'	2,559,795	2,455,850
Toronto	325,662,661	499,150,381
Hamilton	17,341,119	16,635,935
Kitchener	4,555,528	4,361,671
Brantford	3,643,253	3,479,565
London	12,596,359	11,304,677
Chatham	1,768,591	1,959,780
Windsor	10,482,003	9,514,662
Sarnia	1,872,488	1,892,827
Sudbury	2,246,966	2,621,812
Fort William	2,490,185	2,824,609
Winnipeg	167,540,853	247,976,080
Brandon	1,467,065	1,230,107
Regina	13,096,757	13,203,111
Moose Jaw	2,299,311	2,084,607
Saskatoon	6,187,888	5,050,969
Prince Albert	1,180,816	989,947
Edmonton	16,365,996	19,504,696
Calgary	23,472,955	24,156,318
Medicine Hat	785,853	753,693
Lethbridge	1,344,743	1,458,660
New Westminster	1,971,026	1,902,629
Vancouver	51,336,651	64,796,936
Victoria	5,847,245	2,469,268

THE
WESTERN EMPIRE
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON EDMONTON
CALGARY VANCOUVER

Graham said
"I wish I could go to England. There are so many places I would like to visit—so many people I'd like to meet again."

Drummond said
"I *am* going to England."

Graham wished. Drummond *planned* by saving regularly. The first step towards realization of desire—whether it be to travel, to improve your home, or to provide an estate—is *saving*. Imperial Bank of Canada welcomes depositors and gladly extends every facility of modern banking methods.

IMPERIAL BANK OF CANADA
HEAD OFFICE - TORONTO
Capital and Reserve $15,000,000
FRANK A. ROLPH, President
Col. J. F. Michie, Vice-President R. S. Waldie, Vice-President
A. E. Phipps, General Manager
230 BRANCHES THROUGHOUT CANADA

Current Events in Banking World

Bank Chat on Current Topics

Bankers Do Not Claim Omniscience

THE average small investor is all too willing to take "tips" even if he or she does not play them. In taking "tips" the investor is ascribing to others an intelligence and knowledge of investments that is too often without reason and unjustified. The variety of "tips" is great and ranges from the information that "Nickel is good for ten points" to the subtle persuasions of the smooth salesman who seeks to trade a widow out of a Dominion of Canada bond into a stock with no past and but a doubtful future. For those who listen to the lure of "tips" but are cautious enough to investigate, the local banker can provide the surest antidote in many cases.

With a knowledge of the financial position and requirements of his depositors it is not difficult for the experienced banker to determine that certain types of securities are not desirable for certain types of investors and the widow will be urged to retain her Dominion of Canada bond. The confidence that inspires investors to ask advice of their banker is seldom misplaced; the perspective that the banker can give to the picture is in many cases vitally needed.

* * *

BANKERS as a whole, however, are too much concerned with the business of banking and too far removed from financial centres to advise their clients on the merits of trading from one bond into another of approximately the same degree of security or of buying Nickel for a move of ten points. Because a man is a banker he is not necessarily a good speculator and if he watches the stock market it is probably with a view to making sure that the collateral for his loans has sufficient market value. No good banker will claim omniscience as an investor and most certainly not as a speculator. The valuable services that can be, and are, rendered by bankers to investors can go only so far and if investors would only recognize this fact bankers would be saved untold time and trouble.

* * *

Trust Company Pestered

EXPERIENCE of a trust company in the United States indicates the blind faith as well as lack of understanding shown by even the large investor. This company decided, when the United States went off the gold standard, that if inflation was to prevail it would follow the policy of investing one third of the funds in trust accounts where it had discretionary powers in common stocks. These common stocks could be expected to benefit by inflation whereas the value of trustee securities would be adversely affected by inflation.

Immediately the trust company undertook this policy its clients started to ask advice with regard to their stock market operations. When stock of General Motors was bought to replace a trustee security and the stock went up, clients went into General Motors too. This move has proved highly beneficial to the clients who now want the trust company to advise them when to sell. Other clients want advice as to what stock they should buy; opinion as to this stock and that.

Because this trust company departed from long-established practice and did the intelligent thing for its clients it has been embarrassed by investors who quite overlook the fact that the trust company is not taking a short-swing trading position, is not interested in speculation. The purchase of common stocks was undertaken only to ensure the trusts in their hands from loss by inflation and because they have been successful in this to date their clients attribute to them a speculative genius.

Branch Changes

The Salisbury, N.B., branch of the **Canadian Bank of Commerce**, subagency to the Moncton, N.B., branch will now be open daily instead of three days a week as formerly.

Staff Changes

The **Royal Bank** states that the following appointments have taken effect during June:

L. P. P. E. GRONDINES is manager of Main & Mountain branch, Winnipeg, Man.

E. U. HIRTLE, accountant at Middleton, has been made manager at Great Village, N.S.

J. K. H. CURRIE, Vancouver, East End, has been made assistant manager at Georgia & Denman branch, Vancouver, B.C.

J. ANDERSON, 1170 Yonge St., Toronto, was retired on pension on May 31.

The **Bank of Montreal** anounces the following staff appointments:

C. H. SHIELS, goes from Myrnam to be manager at Chateau Lake Louise.

E. A. ROLSTED, manager at Cardston, to be manager at Banff.

C. L. MACGREGOR, manager at Flaxcombe, to be manager at Carbon.

G. C. CAMPBELL, manager at Lake Lenore, to be assistant inspector with headquarters at Calgary.

T. H. J. GRIERSON, manager at Mannville, to be assistant inspector with headquarters at Calgary.

R. L. SPENCER, manager at Estevan, to be manager at Chilliwack.

A. W. MURAT, Calgary, to be manager at Flaxcombe.

W. FAIRBAIRN, manager at Rhein, to be manager at Lake Lenore.

A. C. GLADMAN, Okotoks, to be manager at Mannville.

L. F. HAWITT, Saskatoon, to be manager at Tisdale.

G. H. GRIMES, manager at Dauphin, to be manager at Estevan.

E. HABERER, superintendent of Saskatchewan branches at Regina, to be manager at Quebec.

D. C. MORRISON, manager, Ontario St. and St. Lawrence Blvd. branch, Montreal, to be manager at University and St. Catherine Sts. branch, Montreal.

ROBERT WALKER, head office, to be manager at Ontario St. and St. Lawrence Blvd., Montreal.

T. R. GILBERT, head office, to be assistant manager at Quebec.

V. H. Atchison, Elgin, to be manager at LaSalle, Ont.

J. W. Michel, manager at Napierville, to be manager at Longueuil.

E. M. DAGG, manager at Chesley, to be manager at Thorold.

F. L. MACGACHEN, manager of University and St. Catherine Sts. branch, Montreal, after 46 years of active banking, has gone on leave of absence prior to retiring on pension.

W. M. BANCROFT, manager of the Quebec branch will shortly retire on pension on account of ill-health.

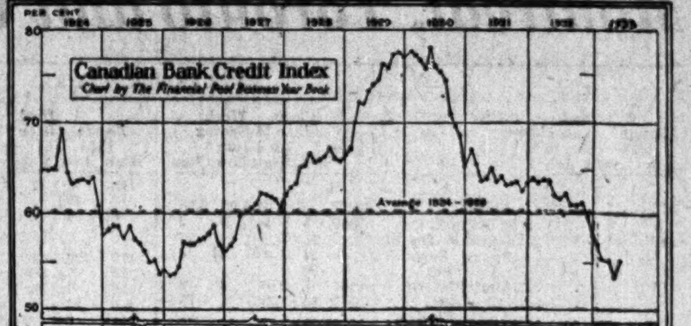
The **Canadian Bank of Commerce** announces the following staff changes::

I. A. McPHAIL, formerly assistant manager at Mexico, has been appointed an inspector at head office.

J. C. WRIGHT, of the staff of relieving officers, Winnipeg, becomes manager at Killarney, Man.

G. H. SAMIS, of the staff of relieving managers, Hamilton, Ont., has been granted leave of absence prior to his retirement on pension.

Index of Bank Credit Moves Higher



For the first time since July, 1932, ratio of call and current loans in Canada to Canadian savings and demand deposits held by the chartered banks shows an increase.

Gain in Demand Deposits Greatest Since Nov., 1931

May Bank Statement Shows Increased Liquidity — Holdings of Dominion Government Securities Higher as a Result of Purchase of $30,000,000 of Six Months Notes

A continued trend towards liquidity is shown in the statement of the chartered banks as at May 31. Immediately available liquid assets are higher by $30,418,189 than at the end of the preceding month due to a $31,847,000 increase in government securities held, a $7,980,000 increase in call loans abroad and a $3,819,000 increase in Dominion notes. Amounts owing from foreign banks has dropped $10,579,000. Secondary reserves are down by $18,752,538 due chiefly to drop of $15,944,000 in current loans and $2,074,000 in loans abroad. In the past year immediately available liquid resources have been increased by $186,554,000 while the secondary reserves consisting of loans and securities other than those of the Dominion Government have dropped by $226,362,000.

Among liabilities the chief change is an increase of $20,530,000 in amounts owing the Federal government. The increase in government securities is largely accounted for by an issue of $30,000,000 of six months treasury bills taken up by the banks at the end of May and the $20,530,000 owing to the government apparently is part of the credit set up for the government as a result of the sale of the short term securities. Advances under the Finance Act increased by $3,000,000 as compared with increase of $2,100,000 in May, 1932.

Demand Deposits Rise Sharply

Deposits increased by $11,973,013 in May. Demand deposits were up by $14,694,769 and savings deposits were down by $2,721,756. The increase in demand deposits is the greatest shown in any month since November, 1931, while the decrease in savings deposits is comparatively small and compares with loss of $5,861,000 in May, 1932. The total of demand deposits at $498,917,874 is at practically the same level as at the end of May, 1932, while savings deposits are up to $1,396,819,000, a gain of $9,793,000. Foreign deposits are slightly down at $306,123,163.

During May there was practically no change in non-liquid assets. The relatively small increase shown in non-current loans and in real estate was more than offset by decline of $374,975 in letters of credit. The item, letters of credit, represents deposits ear-marked for payment of foreign goods and the decline would indicate that imports dropped off during May. In May, 1932, however, there was a drop of $3,042,000 in this item.

The Financial Post index of bank credit increased to 55.14 from 53.46 in April. This compares with 61.1 per cent in May, 1932, and 65.1 in May, 1931.

The Financial Post analysis of chartered bank returns follows. The complete statement appears on page 10.

ASSETS

Immediately Available Liquid Resources	May, 1933	Apr., 1933	Change	May, 1932	Change
	$	$	$	$	$
Specie	55,483,043	56,404,704	—921,661	55,459,572	+23,471
Dom. notes	130,728,697	126,909,044	+3,819,653	115,415,345	+15,313,352
Gold reserve	19,481,732	20,581,732	—1,100,000	22,581,732	—3,100,000
Foreign banks	84,516,463	95,095,862	—10,579,399	108,189,539	—23,673,076
Foreign curr.	22,712,369	23,340,536	—628,167	15,246,599	+7,465,770
Govt. secs.	631,092,797	599,245,693	+31,847,104	465,484,096	+165,608,701
Call loans ab'd	90,201,811	82,221,152	+7,980,659	65,285,570	+24,916,241
	1,034,216,912	1,003,798,723	+30,418,189	847,662,453	+186,554,459
Loans and Securities Other Than Those of Canadian Government					
Public secs.	162,053,265	163,240,419	—1,187,154	140,808,229	+21,245,036
Railway secs.	43,047,778	43,407,014	—359,236	57,129,954	—14,082,176
Can. call loans	93,766,419	94,060,371	—293,952	113,830,496	—20,064,077
Current loans	897,077,958	913,022,937	—15,944,979	1,057,227,680	—160,149,722
Loans abroad	148,357,111	150,431,888	—2,074,777	187,081,686	—38,724,575
Prov. loans	32,660,482	32,074,546	+585,936	36,669,250	—4,008,768
Mun. loans	142,940,760	142,419,136	+521,624	153,519,049	—10,578,289
	1,519,903,773	1,538,656,311	—18,752,538	1,746,266,344	—226,362,571
Other Assets					
Non-curr. loans	14,283,173	14,237,474	+45,699	11,939,669	+2,343,504
Real estate	7,813,724	7,673,646	+140,078	6,955,208	+858,516
Mortgages	6,265,884	6,283,137	—17,253	6,194,547	+71,337
Premises	78,991,256	79,032,712	—41,456	79,950,760	—959,504
Lets. of credit	46,471,395	46,846,370	—374,975	48,901,331	—2,429,936
Loans to comp.	13,417,104	13,400,641	+16,463	12,850,626	+566,478
Other assets	1,748,593	1,681,304	+67,289	1,637,467	+111,126
	168,991,129	169,155,284	—164,155	168,429,608	+561,521
Total	2,723,111,814	2,711,610,318	+11,501,496	2,762,358,405	—39,246,591
Note cir. dep.	6,615,338	6,615,338	....	6,834,928	—219,590
Int. bank bal.	105,565,081	101,031,370	+4,533,711	98,411,172	+7,153,909
Gross	2,835,292,233	2,819,257,026	+16,035,207	2,867,604,505	—32,312,272
LIABILITIES					
To the Public					
Circulation	128,365,391	134,272,610	—5,907,219	131,073,118	—2,707,727
Dom. Govt.	30,829,792	10,299,721	+20,530,071	50,383,696	—19,553,904
Prov. Govt.	18,929,751	19,536,053	—606,302	19,312,381	—382,630
Govt. advances	42,344,000	39,344,000	+3,000,000	29,600,000	+12,744,000
Deposits by Public					
Demand dep.	498,917,874	484,223,105	+14,694,769	497,987,216	+930,658
Savings dep.	1,396,819,807	1,399,541,563	—2,721,756	1,387,026,640	+9,793,167
Total	1,895,737,681	1,883,764,668	+11,973,013	1,885,013,856	+10,723,825
Foreign dep.	306,123,163	308,585,587	—2,462,424	308,936,683	—2,813,520
Due to Banks Abroad, Etc.					
Un. Kingdom	4,680,772	4,836,549	—155,777	4,942,608	—261,836
Foreign	31,520,866	37,157,056	—5,636,190	51,353,165	—19,832,299
Bills payable	468,794	339,247	+129,547	1,252,710	—783,916
Lets. of credit	46,471,395	46,846,370	—374,975	48,901,331	—2,429,936
Other liabs.	2,173,967	2,194,969	—21,002	2,222,440	—48,473
Public liab.	2,507,645,572	2,487,176,830	+20,468,742	2,532,991,988	—25,346,416
Due bet. banks	12,185,180	11,513,848	+671,332	10,859,402	+1,325,778
Liability to Shareholders					
Dividends	2,468,799	998,746	+1,470,053	3,531,670	—1,062,871
Reserve	162,000,000	162,000,000	....	162,000,000	....
Capital	144,500,000	144,500,000	....	144,500,000	....
Gross	2,828,799,551	2,806,189,424	+22,610,127	2,853,883,060	—25,083,509
Credit index	52.3%	53.4%	—1.1%	62.1%	—9.8%

*Ratio of current and call loans in Canada to demand deposits in Canada.

"King's Rights" Asked for Closed Bank Deposits

The State of Michigan, with money tied up in closed banks, lays claim to an ancient right in an effort to secure a first claim on the assets in the closed banks which hold its funds. The state claims the sovereign right of kings to be paid in full.

Said assistant attorney general C. F. Cummings, arguing before the Supreme Court, "When a bank fails in England, the King is the first to be paid in full." While the colonies broke away from a monarchy in the War of the Revolution Mr. Cummings held that the nation and the States had not discarded the theory that the monarch is supreme. They merely have vested sovereign rights in the government.

Provide *FULLY* for Your Fire Hazard

NOT, of course, in the thousands you may lose, but in the few dollars required to protect those thousands. Enjoy the sense of security which comes with thorough coverage and dependable assurance of speedy settlement.

All reinsurances are effected through Lloyds of London, England, and a deposit is maintained with the Federal Government, making your policy with this 49 year old Company absolutely secure.

Est. 1884
The PORTAGE LA PRAIRIE Mutual Insurance Company
Portage la Prairie, Man.
Fire - Automobile - Burglary - Windstorm - Plate Glass - Sprinkler Leakage
TORONTO VANCOUVER EDMONTON MONTREAL

Bank of Nova Scotia Not Liable for Cheque

Action taken by the Calgary Stock Exchange to make the Bank of Nova Scotia responsible for a "N.S.F." cheque issued in favor of the exchange by S. W. Gilfoy & Co. failed in the Alberta Supreme Court recently when Mr. Justice Boyle dismissed the action with costs.

A. L. Smith, K.C., acting for the bank submitted a number of cheques drawn by S. W. Gilfoy & Co. in favor of Miller, Court & Co., Stobie, Forlong & Matthews, D. S. Patterson & Co. and other brokerage houses operating in Calgary in 1930.

Weekly Bank Clearings

	June 29, 1933 $	Change year ago %	June 22, 1933 $
Saint John	1,386,460	—11.3	1,541,240
Halifax	1,673,681	—16.0	2,018,726
Kingston	514,476	—18.6	650,272
Moncton	933,401	+7.9	616,714
Sherbrooke	557,715	+13.6	566,530
Quebec	3,503,312	—14.8	2,922,252
Montreal	107,140,774	+29.7	85,615,716
Ottawa	4,608,909	—6.3	4,863,115
Peterboro'	539,745	+1.4	614,859
Toronto	101,646,162	+45.4	104,632,686
Hamilton	3,487,247	+4.2	3,979,563
Kitchener	851,617	+14.6	1,044,975
Brantford	686,216	+1.2	964,816
London	2,088,859	—7.6	3,063,236
Chatham	427,975	+1.5	417,049
Windsor	2,064,988	—6.6	2,236,892
Sarnia	341,229	+0.5	567,123
Sudbury	642,994	+17.5	598,981
Ft. William	612,426	+25.3	844,978
Winnipeg	98,880,169	+209.5	48,468,287
Moose Jaw	406,420	—21.4	472,504
Pr. Albert	209,155	—2.8	245,838
Edmonton	2,911,289	—5.8	3,455,992
Calgary	6,068,931	+33.2	5,616,667
Medicine Hat	190,290	+29.1	198,618
N. W'minster	467,947	+11.2	404,111
Lethbridge	296,408	+2.2	329,063
Vancouver	13,001,452	+14.5	14,643,629
Victoria	1,276,203	+11.0	1,480,837
Brandon	286,305	—4.5	293,529
Regina	4,022,967	+33.9	2,730,949

CROWN LIFE
Insurance Company
ESTABLISHED 1900
SIR ROBERT L. BORDEN
President
C. W. SOMERS
Vice-President
H. R. STEPHENSON
General Manager
HOME OFFICE:
TORONTO, CANADA

5% Instalment Savings Certificates
Systematic Saving under our monthly payment plan pays 5% compound interest.
write to
CONSUMERS FINANCE LIMITED
Head Office OTTAWA

More Saskatchewan Coal

Saskatchewan's coal production in 1932 amounted to 875,432 tons, having a value of $1,211,539.

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE WASHINGTON
HEAD OFFICE FOR CANADA
HAMILTON ONTARIO
WRITING FIRE AND AUTOMOBILE INSURANCE AT COST. ASSETS $46,644,970
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Ottawa
Vancouver
Victoria
Edmonton
Calgary
Saskatoon
Winnipeg
Montreal
Quebec City
St. John
Halifax
ALL POLICIES NON-ASSESSABLE, PAYING DIVIDENDS RANGING FROM 20% TO 30%

Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia
FIRE AUTOMOBILE WINDSTORM
Insurance in force over $250,000,000.00
Total Assets over 3,000,000.00
Agents required in Ontario
Write Eastern Branch, 2 Toronto St., Toronto, Ont.
THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

FIRE - AUTOMOBILE - MARINE - CASUALTY
A British America Policy
meets the specific needs of the individual client and is suggested by the agent through an understanding of your requirements based on years of thorough study and experience.

The wise purchaser of insurance protection heeds the advice of his agent for, in doing so, he avails himself of the wisdom gained only through years of specialization.

1833-1933
100 Years of Service
ASSETS over $4,700,000
LOSSES PAID since organization of Company in 1833 over $70,000,000
THE BRITISH AMERICA ASSURANCE COMPANY OF TORONTO
TORONTO - CANADA

QUALITY ENGRAVING—*the Essential Safeguard in Monetary Documents*

Vulnerability Increases Risk

In bonds or stock certificates, the bridge between your responsibility to your shareholders and their protection is quality engraving.

Indifferent engraving increases vulnerability, and vulnerability increases risk.

One certificate which is counterfeited affects the integrity of a whole issue.

Over 100 years experience and the acknowledged world's finest steel engraving adds to the invulnerability of your monetary documents—if their making be entrusted to our care.

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OTTAWA
MONTREAL Branches TORONTO

A. J. Pattison, Jr. & Co. LIMITED
(Established in 1907)
Unlisted Bonds and Stocks
3rd Floor, Royal Bank - Toronto, Can.

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

SILVERWOOD'S EARNINGS DOWN CASH IS HIGHER

Earned $7.10 on Preferred Shares — $9 Earned in 1931-32

While sales of Silverwood's Dairies Ltd., at $6,186,715, declined by 6.84 per cent in the year ended April 1, 1933, from sales in the preceding year, operating expenses could not be reduced in proportion and with increases in taxes, Federal, provincial and municipal, net profit for the year was reduced to $173,944 from $300,400. An outstanding feature of the balance sheet just issued is elimination of bank loans and improvement in working capital position largely made possible by the sale of debentures by employees of the company to their customers.

Among the largest of ice cream manufacturers and distributors in Canada, volume of sales of this line were down by 30 to 40 per cent. Milk business has suffered through decreased purchasing power of customers rather than through decrease in the number of customers. Federal and provincial taxes increased by $75,000, despite lower volume of business and lower profits. After reduced provision for depreciation and inclusion of income under dividend guarantee, as well as surplus on redemption of preferred shares, earnings amounted to $7.10 per share on the 31,328 shares of 7 per cent preference stock outstanding, as compared with $9 per share in 1931-32.

CONS. INCOME & SURPLUS ACCT.
Year Ended

	Apr. 1 1933 $	Apr. 2 1932 $
Sales*	6,186,715	6,640,722
Less: Oper. exps.	5,157,836	5,382,147
Gross sales rev.	1,028,879	1,258,575
Add other rev.	87,347	100,135
Total	1,116,226	1,358,710
Less: Admin exp.	605,085	693,570
Int. on stk. subs.	9,465	....
Net earnings	501,676	665,140
Less: Depreciation	272,764	326,856
License & org. exp. w.o.	17,652	18,078
Inc. tax res.	29,161	20,166
Corpor. tax res.	8,155	....
Net profit	173,944	300,040
Add: Inc. under div. guar.	40,000	....
Surplus on red. pref. shs.	8,597	....
	222,541	300,040
Less: Pref. div.	203,150	233,125
Class A div.	....	52,365
Common div.	....	9,375
Min. sh. div.	60	62
Other class A pay.‡	....	14,751
Surplus for period	19,331	§9,638
Add prev. surplus	1,359	°10,997
Less: Add. tax res.	19,183	....
Balance forward	1,507	1,359

*Including inter-company sales.
‡Payments in lieu of dividends on stock subscriptions of employees and milk producers. §Deficit.
°As at April 4, 1931, after applying $153,[illegible] excess of net assets of certain subsidiaries over their purchase price; no statement made available for 6 months period ended April 4, 1931.

Direct sale of $261,374 of 6 per cent collateral trust debentures is largely responsible for the working capital of $55,659 as compared with the preceding year when current liabilities exceeded current assets by $168,016. Cash of $63,022 is higher by $21,269; notes and accounts receivable at $269,364 are down by $5,000, while reserve for bad debts is up to $209,604 from $198,305. Inventories have been reduced to $180,566 from $235,297, and cash surrender value of life insurance, less loans, is down to $8,081 from $37,564. Chief items among current liabilities are accounts payable and accrued charges, down by $103,898 to $202,455. Amounts owing milk and cream patrons is $91,031, an item not shown in 1932. All bank loans have been paid off, which accounts for reduction of $199,757 in current liabilities.

Working Capital
As at April 1

	1933 $	1932 $
Current assets	473,060	526,354
Current liabs.	417,401	694,370
Working capital	55,659	°168,016
Ratio	1.13—1	0.76—1

°Excess of current liabilities over current assets.

Net capital assets are carried at $3,522,469 of which $289,494 is in land. Buildings and machinery are valued at $4,979,847 which is subject to deduction of depreciation reserve of $1,746,873. Prepaid expenses are shown at $56,852; purchase and expansion of milk routes, $439,807; patents license on cream top bottles, $30,000; organization expenses, $31,577 and cost of shares of certain subsidiary companies in excess of cost value and later appraisal adjustments, $471,132.

The balance sheet shows deferred liabilities of $23,216; mortgages payable, $153,025, a reduction of $18,675; bonds outstanding of $219,300, a reduction of $19,350. Amount owing on purchase agreements is unchanged at $256,555. Stock subscriptions from employees, milk producers and minority shareholders' interest total $145,824. In addition to debentures outstanding of $261,374, the company has outstanding 31,328 shares of preferred stock of $100 par value; 147,789 shares of class A stock and 25,000 shares of common stock. Preferred stock has been reduced by 1,997 shares during the year; class A stock shows increase of 24 shares.

Note: See Page 2 for information as to how a complete analysis of this company may be obtained.

Thrift Store Sales Register Gain for 1933

From Our Own Correspondent

MONTREAL.—Operations of Thrift Stores since the beginning of the current fiscal year on April 1 last are officially reported, as measured in dollars, to have moved upward. Sales figures for the first eight weeks to May 27 show a turnover of $734,403, compared with $691,382 for the same period a year ago, an increase of 6.22 per cent.

Sales prospects for the company at the present time are encouraging, it is stated, and coupled with this condition is an improvement in earning power, due to several factors, that should find greater expression as the year progresses. Among these factors is an increase that is being effected in the margin of net profits on the dollar of gross sales helped by the stronger level of commodity values and the satisfactory cost basis.

ALGOMA STEEL SECURES ORDER ON STEEL RAILS

Takes C. N. R. Business on Same Basis as Sydney Plant

From Our Own Correspondent

MONTREAL.—Algoma Steel Corp., Sault Ste. Marie, has received an order from the Dominion Government for 30,000 tons of steel rails for the Canadian National Railways, to be delivered and paid by for the railway when the need arises. The order has been given as an unemployment relief measure under conditions similar to those laid down when an order for 50,000 tons of rails was given to the Dominion Steel and Coal Co.'s plant at Sydney, N.S.

The Government will guarantee the Steel Corp.'s bank loan of $660,000 required to finance the manufacture of the rails and the interest at five per cent will be paid out of the consolidated revenue fund, until such time as the rails are delivered to the Canadian National Railways and payment made. The rails will be built according to specifications of the Canadian National and delivered at a rate of $44 per ton.

Will Help Position

A year ago last month Algoma Steel Corp. was placed in receivership following default in bond interest. William C. Franz, Alexander Taylor and Sir William Stavert were appointed receivers and managers.

Immediately following upon the issuance of the receiving order, a wind-up order was granted on petition of Cannelton Coal and Coke Co., a creditor, and the Chartered Trust and Executor Co. appointed liquidators. This was regarded as the most effective means of carrying out a reorganization of the company.

Two-thirds of Algoma Steel Corp.'s capital stock is owned by Lake Superior Corp. and the balance by Algoma Consolidated Corp. Both are holding companies.

Hiram Walker U. S. Subsidiary Is Established

Articles of incorporation for Hiram Walker & Sons, Inc., have been filed with and accepted by the secretary of state for Michigan by Hiram Walker & Sons, Ltd., subsidiary of Hiram Walker-Gooderham & Worts, which holds the entire capital stock consisting of 50,000 shares of no par value.

This action is widely reported in the United States to be a preliminary step to the extension of the company's operations to the American side in readiness for a possible repeal of prohibition and the importation of liquors to replenish American stocks which are being depleted more rapidly since the law governing issuance of prescription liquor has been made less strict.

Headquarters of the new subsidiary will be in Detroit. Apparently Hiram Walker-Gooderham & Worts is all set to go after United States business whatever happens to merger proposals recently considered.

Foreign Exchange

REFUSAL of the United States to stabilize the dollar to the detriment of its domestic price-raising programme overshadowed all other influences on foreign exchange markets during the week ended July 3. As a result of this move nearly all currencies advanced sharply at the expense of the United States dollar.

The question now is whether the remaining gold countries, France, Belgium, Holland and Switzerland, can remain on the standard. While Great Britain has apparently sided with the United States, it has also aided the gold countries. There have been definite indications of British support of Dutch guilders, for instance, according to authorities.

* * *

An interesting phase of the currency stabilization deadlock at the London conference was Canada's advocacy of British emulation of the American example on price raising. The British, it is understood, would not favor just such a policy as has been followed in the United States. Easy money is the only price-raising step which Great Britain appears willing to take.

The effects of such a policy on British currencies, such as sterling and the Canadian dollar, would hardly be expected to be as violent on exchanges as the policy of the United States. But if it is adopted, there may be a tendency for British currencies to weaken. Great Britain appears to be the focal point for near future trends in gold currencies and in Empire monetary units.

FOREIGN EXCHANGE
New York Funds

	High (Premium) %	Low %	Last Year High (Premium) %	Last Year Low %
June 27	10 9-16	10	14 13-16	14 1-4
June 28	10	9	14 5-16	14 1-4
June 29	9 3-4	9	14 7-16	14 1-4
June 30	9 1-2	9 3-16	14 5-8	14 1-4
July 1	......	......	......	......
July 3	8 1-2	7 1-2	14 11-16	14 1-8

STERLING, FRANCS AND LIRE
Close: Demand in New York

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.526
June 27	4.25 1-2	0.490	0.657
June 28	4.37	0.507	0.680
June 29	4.25	0.494	0.675
June 30	4.27	0.496	0.666
July 1	4.33 1-2	0.503	0.674
July 3	4.41 1-2	0.513 1-2	0.690

Close: Demand in Toronto

	Sterling	Francs	Lire
Gold par	$4.866	$0.3918	$0.0526
June 27	4.73 1-2	0.0546	0.0732
June 28	4.79 5-8	0.0557	0.0745
June 29	4.67 3-4	0.0544	0.0738
June 30	4.67 1-2	0.0541	0.0726
July 1	....	....	....
July 3	4.80 1-2	0.0558	0.0748

	Reichsmarks	Belga	Yen
Gold par	$0.238	$0.139	$0.498
June 27	0.3292	0.1954	0.3000
June 28	0.3375	0.1977	0.2990
June 29	0.3312	0.1938	0.3036
June 30	0.3285	0.1948	0.3000
July 1	....	....	....
July 3	0.3360	0.1994	0.3036

Montreal, Toronto and Curb Markets

WEEK ENDING JULY 3

Range 1933 High	Range 1933 Low	Divd. Rate in $	Yield in % July 1		Sales	Close June 26 (or—last)	Week Ending July 3— High	Low	Close
				A					
2.12	.12		...	Abitibi	36928	1.00	2.12	1.00	2.00
9	1		...	Do. pref. 6%	2500	5	9	5	9
x80	80	7	...	Acme F. D'y p	....	..	..	..	..
4½	4		...	Agnew Surp.	50	4	4½	4½	4½
60	60	7	11.7	Do. pref.	....	60	..	..	..
10	3½		...	Alta. Pac. Gr.	1101	7	10	8	9
35	20		...	Do. pref.	185	33	35	31	35
x3½	1½		...	Amal. Electric	....	..	..	..	..
9½	3		...	Do. pref.	....	9½	..	..	..
†3½	3½		...	Anglo. N. Hold.	....	..	..	..	..
.25	.15		...	Asbestos	....	.25	..	..	..
.60	.50		...	Do. pref.	....	.60	..	..	..
15	3½		...	Assoc. Brew.	2350	12½	15	12½	15
77½	65	7	9	Do. pref.	20	70	77½	77½	77½
x3	3		...	Assoc. Can.	....	..	..	..	..
†69	65		...	Assoc. Tele.	....	..	..	..	..
				B					
139	127	10	7.2	Bk. Can. Nat.	79	138	139	138	138
200½	150	8	4.1	Bk. Montreal	302	197	200	195	197
270	228	12	4.6	Bk. N. Scotia	29	262	262	262	262
195	151	10	5.3	Bk. Toronto	37	194	190	190	190
17	10		...	Barcelona	....	17	..	..	..
8	1		...	Bathurst Pr.	636	3	8	3	6¼
1.60	1.00		...	Do. (B)	15	..	1.60	1.00	1.60

Range 1933 High	Range 1933 Low	Divd. Rate in $	Yield in % July 1		Sales	Close June 26 (or—last)	Week Ending July 3— High	Low	Close
102	77	7	7.8	Huron & E. Mt.	....	90	..	..	..
18	12½		...	Do. 20% pd.	69	15	15	15	15
9¼	6		...	Hydro Electric.	....	9¼	..	..	..
				I					
170	123	10	5.9	Imperial Bank	29	169	170	165½	170
15¼	7⅞	50c	3.3	Imperial Oil	78519	12⅞	15¼	13	15¼
10½	7	35c°	3.5	Imperial Tob.	3285	9⅞	10½	9⅞	10
†80	80	8	...	Inter. Coal, p.	....	..	..	..	..
b11½	2½		...	Int. Hyd. E. A.	10508	9½	10	8¼	9½
105	98	7	6.7	Inter. Mill. pf.	5	102	105	105	105
90	84	6	6.7	Do. Series A	....	90	..	..	..
21.60	8.00		...	Inter. Nickel	140515	19.80	21.60	19.00	21.50
x4	4		...	Inter. Paints	....	..	..	..	..
b6	¾		...	Int. P. & P. A	905	4⅜	5	4½	4⅞
b3⅜	¾		...	Do. (B)	1400	2⅞	2⅞	2¼	2½
b2¾	¾		...	Do. (C)	6300	2½	2½	2	2¼
b17	2		...	Do. pref.	5213	13½	14½	13	14
20¼	10⅞	1	5.1	Inter. Pete.	21545	19½	20¼	19	20¼
5	2¼		...	Inter. Power	....	4	..	..	..
21	8		...	Do. pref.	5	20	20	20	20
13¼	5⅞		...	Int. Util. (A)	190	12½	13¼	13	13¼
3⅞	1		...	Do. (B)	1240	3	3⅞	3	3½
				J					
†40	40	1	...	Jam. Pub. Ser.	....	..	..	..	..
85	70	7	8.9	Do. pref.	....	78	..	..	..
				K					
5	¾		...	Kelvinator	160	4½	5	4	4½
71	55	7	9.8	Do. pref.	....	71	..	..	..

x Quotations for 1932. ‡ Quotations for 1931. † Quotations for 1930. b New York Quotations. ° Plus final dividend of 17½c, paid Mar. 31. No sales recorded in 1933 to date.

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
July 4, 1933

Industrial Bonds:	Bid	Asked
Abitibi P. & P. 5% 1953	31.00	34.00
Acadia Sugar 6% 1946	91.00	95.00
Alta. Pac. Grain 6% 1946	85.00	88.00
American Sales Book 6% 1939	103.00	....
Arnold Bros. 6% 1947	58.00	....
B. A. Oil 5% 1945	96.00	98.00
Can. Biscuit 6½% 1946	27.00	30.00
Can. Bread 6% 1941	93.00	96.00
Can. Cement 5½% 1947	77.50	80.00
Can. Steamship 6% 1941	22.00	24.00
Can. Bakeries 6½% 1945	60.00	....
Can. Canners 6% 1950	91.00	94.00
Can. Copper Refin. 6% 1945	106.00	....
Can. Cottons 5% 1940	84.00	....
Can. Vickers 6% 1947	64.00	67.00
Cons. Invest. 4½% 1959	50.00	....
Cosmos Imp. Mills 6½% 1944	85.00	90.00
Davies, Wm. 6% 1942	92.00	....
Debenture & Sec. 4% 1936	59.00	....
Dom. Manufacturers 6% 1933	96.25	....
Dom. Tar & Chemical 6% 1949	72.00	74.00
Dom. Telegraph 5½% 1978 "A"	85.00	90.00
Dom. Textile 6% 1949	98.00	101.00
Dom. Woollens 6% 1948	27.00	30.00
Donnacona Paper 5½% 1948	28.00	....
Eaton Realty 5% 1949	86.00	90.00
Famous Players 6% 1948	74.50	77.00
Federal Grain 6% 1949	84.00	87.00
Firestone Tire 7% 1937	110.00	....
Fraser Cos. 6% 1932	25.00	....
Fraser Cos. 6% 1950	25.00	....
Galt Brass 7½% 1941	....	25.00
Goodyear Cotton 6% 1949	101.00	104.00
Great Lakes Paper 6% 1950	32.00	34.00
Gypsum, Lime & Alab. 5½% 1948	40.50	43.00
Harris Abattoir 6% 1947	97.00	....
Howard Smith 5½% 1953	75.00	77.00
Loew's Toronto 6% Serial	100.00	....
London Realty 6½% 1950	42.00	....
Maple Leaf Milling 5½% 1949	55.60	60.00
Massey-Harris 5% 1947	68.00	71.00
McColl-Frontenac 6% 1949	93.50	96.00
McKinnon Industries 6½% 1945	94.00	....
Mercury Mills 5½% 1953	42.00	....
Metropolitan Bldg. 7% 1944	85.00	90.00
Northern Ontario Bldg. 6½% 1939	64.00	....
Price Bros. 6% 1943	55.00	....
Richmond-Bay 6½% 1947	57.50	....
Simpsons Ltd. 5½% 1949	73.00	76.00
Simpsons Ltd. 6% 1949	80.00	82.00
Steel of Canada 6% 1940	104.00	107.00
Toronto Carpet 6% 1944	78.00	82.00
United Gas & Fuel 5½% 1948	69.00	....
United Grain Growers 5% 1948	81.00	83.50
United Grain Growers 5½% 1949	85.00	88.00
Wabasso Cotton 7% 1942	63.50	....
Western Grain 6% 1949	75.00	78.00
Public Utility Bonds:		
Bell Telephone 5% 1955	106.00	....
Bell Telephone 5% 1957	106.00	....
B. C. Power 5½% 1960	90.00	92.00
B. C. Telephone 5% 1960	91.00	93.50
Calgary Power 5% 1960	85.00	88.00
Can. Northern Pwr. 5% 1953	82.00	84.00
Duke-Price Pwr. 6% 1966	81.00	84.00
French Nat'l. Mail S.S. 6% 1952	123.00	....
Gatineau Pwr 6% 1941 "A"	69.00	72.00
Gatineau Pwr. 5% 1956	79.00	81.00
Maclaren Quebec 5½% 1961	79.00	81.50
Manitoba Power 5½% 1951	44.00	48.00
Montreal Isl. Pwr. 5½% 1957	95.00	98.00
Montreal LH&P 5% 1951	102.00	....
Montreal LH&P 5% 1970	101.50	....
Montreal Tram 5% 1941 July	96.00	98.00
Montreal Tram 5% 1955	78.00	80.00
Northwest. Utilities 7% 1938	99.00	101.00
Ottawa Valley Pwr. 5½% 1970	96.00	99.00
Quebec Power 5% 1968	90.00	92.00
Rio Tramways 5% 1935	98.00	100.00
Shawinigan W & P 4½% 1970	75.00	....
Shawinigan W & P 5% 1970	80.00	....
Shawinigan W & P 6% 1937	92.00	95.00
Southern Can. Pwr. 5% 1955	97.00	99.00
West Kootenay Pwr. 5% 1956	95.00	97.50
Government, Provincial & Railway:		
C. N. R. 4½% 1951 Dom. Gtd.	100.00	101.00
C. N. R. 4½% 1957 Dom. Gtd.	99.50	100.50
C. N. R. 5% 1969 Dom. Gtd.	105.50	106.50
C. P. R. 4½% 1944	83.50	85.00
C. P. R. 6% 1942	107.50	109.00
Dom. of Can. 5% 1936	102.50	103.50
Dom. of Can. 5% 1941	103.00	104.00
G. T. P. 3% 1962 Dom. Gtd.	80.50	82.00
G. T. P. 4% 1962 Dom. Gtd.	94.50	96.00
Ont. Hydro 3½%, 4%, 5%, 1952 Ont. Gtd.	90.50	92.00
Ont. Hydro 4¾% 1970 Ont. Gtd.	99.50	101.00
Ont. Hydro 4% 1957 Ont. Gtd.	92.00	93.50
Prov. of N. B. 5% 1957	99.50	101.50
Prov. of Ont. 5½% 1947	106.50	107.50
Prov. of Ont. 5% 1948	103.00	104.00
Prov. of Ont. 5½% 1946	106.50	107.50

Listed Bond Quotations

Week Ending July 3, 1933

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1933 High	Range, 1933 Low
Abitibi, 1st mtge.§	5	1953	...	30	...	...	18	13
Asbestos	5	1942	...	21½	...	...	°65¼	49
Asbestos, 1st mtge.	6	1941	...	5¼	...	...	°20	14
Do., gen. mtge.	6	1956	...	...	...	...	°9	...
Can. Cons. Rub.	6	1946	...	...	...	...	62	...
Can Cottons	5	1940	8.11	...	...	...	°84⅜	...
Can. Forgings	6	1942	...	...	...	...	°100	...
Can. Locomotive	6	1951	...	...	...	...	19⅜	19⅜
Can. Pr. (Laur.)	5½	1958	...	...	...	...	3	3
Do. (Way. Ser.)	5½	1958	...	6	...	...	°28¼	5½
Can. S.S. Debs.	5	1943	...	6	...	...	°83¼	...
Cedars Rapids	5	1953	...	68	...	...	108	108
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	...	...	...	37	...
McNish	6	1948	...	...	...	...	2.50	1.00
Mex. L. & Pr.	5	1940	...	†3.40	...	...	°73¼	70¼
Mtl. L.H.&.Pr. debs.	3	1939	...	55	...	...	44¼	39¾
Mont. Tr. 1st mtg.§	5	1941	5.42	44½	44¼	44½	98¼	95¼
Mont. Trams. A§	5	1955	6.78	...	97⅜	96¼	79⅞	58
Do., G. & Ref. B	5	1955	7.47	...	...	...	73¼	...
Do., C	4½	1955	9.03	...	...	...	57	57
Do., D	5	1955	7.14	...	...	...	77⅜	76¼
N. S. Steel	5	1959	...	...	...	...	°62⅜	59
Ontario Steel	6	1943	...	†78	...	...	80	...
Porto R. Pr.	5	1936	...	...	...	...	°93	88
Steel of Canada§	6	1940	...	...	...	...	°102¼	100
Wayagamack	6	1951	...	103	...	...	°75	45
Winnipeg Elec.§	5	1935	...	...	...	...	°86	...
Toronto								
Canada Bread	6	1941	...	...	...	...	°101½	100
Steel of Canada	6	1940	...	...	...	...	°102¼	...

Dominion Govt. Bonds (Montreal)

	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1933 High	Range, 1933 Low
War Loan§	5	1937	...	108.50	....	....	116.25	114.25
Victory Loan	5½	1933	4.50	100.00	....	....	100.75	100.00
Do.	5½	1934	4.21	101.00	101.25	....	102.60	101.25
Do.	5½	1937	3.10	109.00	....	....	110.25	109.25
Do., refund	4½	1940	4.36	100.25	....	....	101.25	99.70
Do., refund	5	1943	4.46	103.50	....	....	103.37	101.85
Do., refund	4½	1944	4.41	100.25	....	....	99.75	98.75
Do., refund	4½	1946	4.37	100.25	....	....	°92.25	91.50
Do., renewal	4	1952	4.42	94.00	....	....	95.25	91.63
Conversion Loan	4½	1956	4.11	....	....	....	98.50	97.00
Do.	4½	1957	4.56	99.25	....	....	99.00	96.00
Do.	4½	1958	4.53	99.25	....	....	99.58	97.75
Do.	4½	1959	4.46	99.00	....	....	100.87	97.50
Nat. Service Loan	5	1936	3.98	102.50	....	....	103.25	101.50
Do.	5	1941	4.46	103.25	....	....	103.75	100.75
Dom. Loan	4	1935	3.90	99.75	....	....	99.75	99.75

†Latest ask. ‡Quotations for 1930. °For 1931. °For 1932. None recorded in 1933 to date. §Payable in Canada and New York.

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.
July, 4 1933

	Rate	Actual Maturity	Next Int. Date	Price	Yield
*Alberta	4½	1 Oct., 1958	1 Oct	88.50	5.33
Alberta	5	1 July, 1943	1 Jan.	96.00	5.53
Alberta	6	1 Mar., 1947	1 Sept.	102.00	5.79
*British Columbia	4½	1 Oct., 1953	1 Oct.	88.50	5.44
*British Columbia	5	15 Jan., 1948	15 July	95.00	5.50
British Columbia	6	15 Feb., 1947	15 Aug.	101.50	5.84
Manitoba	4	1 July, 1947	1 Jan.	83.00	5.79
*Manitoba	5	2 Dec., 1959	2 Dec.	94.00	5.43
Manitoba	6	1 Apr., 1947	1 Oct.	99.50	6.05
*New Brunswick	4	1 June, 1948	1 Dec.	92.00	4.75
*New Brunswick	4½	15 June, 1936	15 Dec.	100.00	4.75
New Brunswick	5½	1 May, 1950	1 Nov.	105.00	5.05
*Nova Scotia	4½	15 Nov., 1948	15 Nov.	99.75	4.52
Nova Scotia	5	1 May, 1943	1 Nov	102.00	4.75
*Ontario	4½	1 Sept., 1944	1 Sept.	102.00	4.28
Ontario	5	15 Oct., 1948	15 Oct.	104.00	4.63
Ontario	5½	1 Feb., 1947	1 Aug.	107.75	4.74
P. E. I	4	1 Apr., 1939	1 Oct.	95.60	4.85
P. E. I.	6	1 May, 1947	1 Nov.	111.05	4.90
*Quebec	4½	1 May, 1961	1 Nov.	101.00	4.19
*Saskatchewan	4½	1 Sept., 1955	1 Sept.	86.50	5.56
*Saskatchewan	5	1 Nov., 1959	1 Nov.	91.50	5.62
Saskatchewan	6	15 Mar., 1952	15 Sept.	99.00	6.09
*Newfoundland	5	31 Dec., 1952	31 Dec.	76.00	7.33
*Newfoundland	5½	1 July, 1939	1 Jan.	80.00	10.01
*Newfoundland	6½	20 June, 1936	31 Dec.	88.00	11.32
Cities					
*Montreal	5	1 Sept., 1963	1 Sept.	103.19	4.80
*Toronto	4½	1 Jan., 1955	1 Jan.	99.50	4.54
*Vancouver	5	15 Jan., 1970	15 July	88.60	5.75
Winnipeg	5	1 Mar., 1944	1 Sept.	92.00	6.00
*Edmonton	5½	1 Apr., 1947	1 Oct.	90.00	6.60
Calgary	5	1 Jan., 1943	1 Jan.	86.29	7.00
Halifax	6	1 July, 1951	1 Jan.	113.05	4.90
Saint John	5	15 Dec., 1950	15 Dec	101.17	4.90
Regina	4½	1 July, 1950	1 Jan.	75.37	7.00
Victoria	5	21 July, 1945	21 July	92.34	5.90
Quebec	5	1 June, 1948	1 Dec.	101.50	4.86

*Payable in New York.

Note re Unlisted Securities

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotaiton giving an idea of approximate price is better than none at all.

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto
July 4, 1933

Industrial Stocks:	Bid	Asked
Acadia Sugar com.	.85	....
Acadia Sugar 6% pfd.	3.75	4.25
Acme Farmers Dairy 7% pfd.	58.25	....
Acme Glove pfd. bonus c.	8.00	....
Agnew Surpass 7% pfd.	61.00	68.00
Allens London 7% pfd. bonus c.	33.50	....
Allens St. Cath. 7% pfd. bonus c.	33.50	....
Allens Toronto 7% pfd. bonus c.	20.00	....
Andian Nat. Corp. U. S. funds	21.00	23.00
Atlantic Sugar "A" pfd.	80.00	86.00
B.C. Pulp & Paper pfd.	5.50	10.00
Burns pfd. bonus com.	7.25	10.00
Canada & Dom. Sugar	31.00	33.00
Canada Mach. c.	4.25	6.25
Canada Mach. pf.	21.00	....
Canada Packers c.	31.00	33.00
Canada Packers pfd.	99.50	101.50
Canada Starch 7% pfd.	62.00	68.00
Canada Tea 7% pfd.	45.00	60.00
Canada Wire & Cable 6½% pfd. WW	61.50	....
Can. Industries com. "A"	101.00	....
Can. Industries com. "B"	98.00	102.00
Can. Industries 7% pfd.	122.00	125.50
Can. Westing.	46.50	50.00
A. W. Chase pfd. bonus c.	8.00	11.00
Claude Neon Gen. Adv. Units	....	7.00
Dodge Mfg. "A" pfd.	....	7.50
Dom. Foundries & Steel 8% pfd.	40.00	65.00
Dom. Foundries & Steel com.	5.75	8.00
Dom. Manufacturers 7% pfd.	66.00	....
Dunlop Tire 7% pfd.	42.00	48.00
Eastern Dairies Ltd. 7% pfd.	29.00	....
Edmonton Stock-yards Units	38.50	52.00
Federal Grain c.	3.00	....
Federal Grain 6½% pfd.	35.00	....
A. J. Freiman pf.	49.00	....
Gen. Steel Wares pfd.	18.00	21.00
Goderich Elevator & Transit	6.25	7.50
Greening Wire 7% pfd.	50.50	....
Guelph Carpet 6½% pfd. bonus	63.25	70.00
Guelph Carpet c.	5.50	....
Inter City Baking com.	15.00	....
Inter. Proprietaries "A"	28.50	31.00
Langley's Ltd. 7% pfd.	32.00	....
Loew's London c.	.30	.95
Loew's London 7% pfd.	3.00	4.50
Loew's Toronto 7% pfd.	43.00	....
Massey-Harris 5% pfd.	29.00	30.50
Medical Arts pfd. bonus c.	97.00	....
Melchers Distilleries "A"	7.25	....
Mount Royal Hotel c.	.25	.70
Mount Royal Hotel 6% pfd.	3.00	4.25
Nat'l. Grocers c.	1.75	2.25
Nat'l. Grocers 7% 2nd pfd.	75.00	....
Ont. Silknit pfd.	35.00	40.00
Paramount Kitchener pfd.	29.00	....
Paramount Oshawa com.	2.00	....
Paramount Oshawa pfd.	29.25	....
Provincial Paper 7% pfd.	57.00	61.00
Reliance Grain 6½% pfd.	51.00	....
Rolland Paper 6% pfd. WW	29.00	....
Standard Clay Products c.	....	15.50
Standard Fuel 6½% pfd. bonus	65.00	....
Ind. Stock cont'd.		
Supersilk pfd. bonus	30.00	....
Supertest Petroleum "B"	20.00	....
Toronto Elevators 7% pfd.	88.50	91.00
Un. Grain Grow.	13.50	15.50
Western Grain 6½% pfd. bonus	17.00	22.00
Western Grocers pfd.	68.00	77.00
Insurance Stocks:		
Br. Amer. Assce.	24.00	....
Can. Life Assce.	390.00	425.00
Can. Fire Ins.	51.25	56.00
Confederation Life 20% pd.	120.00	125.00
Continental Life 20% pd.	39.25	44.00
Crown Life Ins.	95.00	110.00
Dom. Fire Ins.	83.50	....
Dom. Life 50% pd.	139.50	....
Dom. of Can. Gen. Ins.	91.00	100.00
Empire Life 25% pd.	8.00	11.50
Excelsior Life 30% pd.	68.00	....
Fidelity Ins. Co.	48.00	....
Great West Life Assce.	261.50	....
Guarantee Co. of N. A.	246.50	....
Imperial Life	271.00	....
Mfrs. Life Ins.	241.00	260.00
Monarch Life 10% pd.	16.00	....
National Life 25% pd.	55.50	65.00
Saskatchewan Life 10% pd.	....	11.50
Sovereign Life 25% pd.	18.00	....
Sun Life Assce.	490.00	520.00
Western Assur. c.	17.50	....
Western Life 20% pd	7.00	12.50
Trust & Loan Stocks:		
Br. Mtg. & Trust	151.50	160.00
Brockville Trust	45.00	50.00
Can. Gen. Invest. Ltd.	5.05	....
Chartered Trust	56.00	....
Debenture & Sec. 5% pfd.	15.50	....
Eastern Can. Sav. & Loan	110.00	116.00
Eastern Trust	135.00	145.50
Guelph & Ont. Inv. par $50	48.00	50.50
Investment Foundation Units	29.00	33.00
Lambton Loan & Savings	50.00	58.00
London & Western Trust	50.00	....
Mortgage Discount pfd.	1.55	2.25
Premier Trust	83.50	....
Provincial Bank	87.50	92.00
Security Loan & Savings	100.00	....
Sherbrooke Trust	100.00	110.00
Sterling Trust	....	45.50
Traders Fin. com.	.65	....
Traders Fin. 7% "A" pfd.	25.00	....
Trusts & Guar.	31.00	....
Victoria Trust & Savings	131.00	140.00
Waterloo Trust & Savings	90.00	100.00
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	95.00	97.00
Calgary Power 6% pfd.	78.00	82.00
Can. Light & Pwr. com.	20.00	25.00
Can. West. Nat. Gas LH&P pfd.	78.50	82.00
Maritime Tel. & Tel. com.	7.15	8.00
Maritime Tel. & Tel. 7% pfd.	10.35	11.25
N. B. Telephone c.	7.00	8.00
Nor. Ont. Pwr. c.	9.75	....
Nova Scotia L&P com.	25.00	28.00
Nova Scotia L&P 6% pfd.	73.00	....

Recent London Quotations:

Brewers & Distillers	6s. 6d.
Can. & For. Secs.	3s. 6d.
Can. West. Lumber	1s. 3d.
Hudson's Bay	26s. 3d.
Do., 5% pref.	82s. 6d
Internat. Holdings	$2 13-16
Nfld. Pr. & Pap. deb. stock "B"	90½
Trust & Loan of Can.	1s. 3d.

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Ajax Oil	8c	2c	July 15	June 30
Beaver Fire	...	$4	July 2	June 15
Beatty Bros., pref.	6%	1½%	Aug. 1	July 15
Belding Corticelli c.	$4	$1	Aug. 1	July 15
B. C. Power "A"	$2	50c	July 15	June 30
Bell Telephone	$6	$1.50	July 15	June 23
Brantford Cordage, pfd.	8%	2%	July 15	June 20
Canada Dry	$1	25c	July 15	July 1
Can. Northern Pr.	80c	20c	July 25	June 30
Do., pref.	$7	$1.75	July 15	June 30
Canadian Car, pref.	$1.75	44c	July 10	June 26
Canada Bud	60c	15c	July 15	June 30
Can. Gen. Investments (No. 20)	30c	7½c	July 15	June 20
Can. Converters	$2	50c	Aug. 15	July 31
Can. Fairbanks, pfd.	$6	$1.50	July 15	June 30
Can. Industries "A" & "B"	$3.50	87½c	July 31	June 30
Do., pref.	$7	$1.75	July 15	June 30
Can. Light & Power	$1	50c	July 15	June 30
Can. Bronze	60c	15c	Aug. 1	July 20
Do., pref.	$7	$1.75	Aug. 1	July 20
Can. Int. L. & Pr. Inv. 1st pfd.	$6	$3	July 1	......
Confederation Life	$4	$1	June 30	June 24
Can. Westinghouse	$2	50c	July 3	June 20
Dome Mines	$1	25c	July 20	June 30
Do., extra	...	25c	July 20	June 30
Dominion Textile pref.	7%	1¾%	July 15	June 30
East. Theatres, pref.	$7	$3.50	July 31	June 30
East. Steel Products pfd.	$7	$1.75	July 3	June 15
Hollinger Gold	65c	5c	July 15	June 30
Howe Sound c.	40c	10c	July 15	June 30
Inter.-Hydro Elec. pfd.	$3.50	87½c	July 15	June 27
Inter. Nickel, pref.	7%	1¾%	Aug. 1	July 3
Imperial Bank	$10	$2.50	Aug. 1	June 30
Invest. Foundation, pfd.	$1.50	38c	July 15	June 30
Do, on arrears	...	12c	July 15	June 30
Manufacturers Life	$10	$5	July 3	June 30
Maritime Tel. & Tel. pfd.	70c	17½c	July 3	June 21
Do., com.	60c	15c	July 3	June 21
McColl-Frontenac, pfd	6%	1½%	July 15	June 30
Montreal L. H. & P.	$1.50	38c	July 31	June 30
Montreal Telegraph	$3.20	80c	July 15	June 30
National Biscuit. c.	$2.80	70c	July 15	June 16
Noranda Mines (interim)	...	50c	July 10	June 13
Northern Ont. Power	$2	50c	July 25	June 30
Do., pref	$6	$1.50	July 25	June 30
Perfection Petrol. pfd.	$1.50	37½c	July 3	June 30
Penmans	$3	75c	Aug. 15	Aug. 5
Do., pref.	$6	$1.50	Aug. 1	July 21
Power Corp. pref.	$6	$1.50	July 15	June 30
Do., 2nd pref.	$3	75c	July 15	June 30
Standard Fuel pfd.	$6.50	$1.62½	July 3	June 15
Sterling Trusts	$2	$1	June 30	June 20
Steel of Canada	$1.20	30c	Aug. 1	July 7
Do., pref.	$1.75	43¾c	Aug. 1	July 7
Southern Can. Power c.	$1	25c	Aug. 15	July 31
Southern Can. Power pfd	6%	1½%	July 15	June 20
Tuckett Tobacco, pref.	7%	1¾%	July 15	June 30
Teck Hughes	60c	15c	Aug. 1	July 13
Tip Top Tailors pfd.	$7	$1.75	July 1	June 28
Toronto Elevators pfd.	$7	$1.75	July 15	July 3
Trusts & Guarantee	$3	$1.50	July 3	June 16
United Securities	$2	50c	July 15	June 30
Western Grocers, pref.	$7	$1.75	July 15	June 20

Dividend Rate Reduced:
Can. Gen Investments, July 15, 40c to 30c per annum.
Sterling Trusts June 30, $4 to $2 per annum.
Dividends Resumed:
Tip Top Tailors, pref. July 3, $1.75. Last payment $1.75 quarterly Jan. 1, 1933.

Winnipeg Stock Exchange

(Transactions for week to June 30)

Div. Rate in $	Yield in %		Sales	High for week	Low for week	Close June 30
..	..	Associated Oil & Gas	200	.10	.10	.10
..	..	Bathurst "A"	28	5	5	5
..	..	Central Manitoba	500	.14	.14	.14
..	..	Macassa	20	.70	.70	.70
1.25	8.9	Sherritt Gordon	100	1.17	1.17	1.17
..	..	United Grain Grow.	40	14	14	14
..	..	West. Breweries	50	1	1	1
7	10.8	Walkers, Hiram	6	34½	34½	34½
..	..	West. Grocers, pfd.	2	69	69	69
..	..	Do., com.	200	16	16	16
..	..	Winnipeg Elec., pfd.	5	7¼	7¼	7¼

Stocks Not Traded in During Week*

	Bid	Ask
Beaver Lumber c.	..	4½
Beaver Fire	..	100
Canadian Fire	50	..
City Dairy 7% pf.	..	35
City Dairy 8% pf.	..	40
Cres. Creamery pf.	..	40
Great West Life	260	..
Monarch Life	15	..
Nor. Mtg. part pd.	..	5
Northern Trust	15	19
Pelissiers, com.	¼	1
Reliance Grain pfd.	50	..
Sovereign Life	13½	..
Traders Bldg.	60	..
Can. Amer. Tr. shs.	..	3⅜
Fundamental Ser. A	..	5
Fundamental Ser. B	..	4⅜
Group. Income Shs.	..	5.00

*Stocks more active on other exchanges not included.

Pilchard Outlook Improves

The pilchard outlook on the West Coast seems promising this season. while fish oil prices are about 10 per cent below last year, meal prices are a little better, about $30 per ton this year against $23 per ton last year. Seven, possibly eight, plants will operate this season. One hundred cars of oil have been sold to Proctor and Gamble and 25 cars to Lever Brothers, Toronto, and possibly more sales will yet be made.

Shingle Industry Booming

The shingle industry along the Fraser River in British Columbia is booming with virtually all the big plants working double shifts and employing about a thousand men in the New Westminster area. Shingle production in the lower Fraser Valley this year is expected to reach 1,200,000,000 pieces of a value of $2,000,000, as against 770,000,000 pieces in 1932. Increased activity in the woods is a noticeable effect.

New York Times Runs "Startling" Newsprint Tale

Quebec Correspondent Tells of Suggested Royal Commission; Expropriation of Timber Limits and Mills by Quebec; Cut in Prices, etc. — Story Ranked as Mischievous Propaganda

From Our Own Correspondent

MONTREAL.—Circulation of what are regarded as misleading reports and statements in the American press on the newsprint industry are not proving helpful to efforts now being made to effect some form of stabilization in the industry through the medium of the Industrial Recovery Bill.

One of the most "startling" stories in a long time appeared in the June 30 issue of the New York Times, which paper carries a special dispatch from Quebec City to the effect that "an inter-Provincial Royal Commission, with members from Quebec, Ontario and New Brunswick," is under consideration. The work of this commission, says the dispatch, would be to study the future of the "billion dollar newsprint industry in Eastern Canada—as being the only means of saving the industry itself from extinction and also to save the provinces concerned a lot of money."

In Exaggerated Form

Enquiries by The Financial Post have elicited the information that while continual discussions are being held on the newsprint situation, no Royal Commission is in prospect.

Further the "billion dollar industry" is gross exaggeration as the total capital investment in the Canadian pulp and paper industry at the end of 1931 amounted to $630,176,540. Considering that this figure also represents the capital invested in pulp mills, fine paper mills and other branches of the pulp and paper industry, the investment in the newsprint industry is far short of a billion dollars.

"Help" For The Provinces

The dispatch goes on to say that the three provinces receive substantial sums yearly in the way of dues, etc., and that "it is in the interest of all three provinces to do something to relieve the present situation."

The action which Quebec is suggested as having under consideration is worthy of repeating in full as it gives an idea of the type of uninformed story that has been circulated in the American press in regard to the Canadian newsprint industry. It follows:

> "So far as Quebec is concerned, the theory has been advanced that all timber limits in the Province should revert to the Crown, with operators then leasing certain mileage, paying for the territory they actually use instead of having to lease various areas and pay stumpage dues and ground rents on the lot, whether they use them or not.
>
> "The theory has also been put forward that the government should acquire all mills that have been erected in this province and lease them to whoever it felt inclined, so long as no powerful trusts sprang up.
>
> "Under this plan, with the government owning both mills and limits, it would sell timber to anyone who operated the mills, taking a minimum profit of, say, 1 cent a cord. It is held that if this were done Quebec would make more money than at present under the system of leasing limits to concerns by means of leases running an indefinite period."

Such action on the part of the Quebec Government is far-fetched to say the least. Fortunately it is only a "theory" and, therefore, cannot be taken too seriously. The idea that Quebec — the stronghold of private interests—should adopt such extreme measures is on a parity with the provincial government taking Montreal Light, Heat and Power Consold., Shawinigan Water and Power Co., Southern Canada Power, Duke-Price Power Co., Gatineau Power and the other utility concerns and creating a provincially-owned power utility system.

Matters of Mathematics

How would Quebec profit if it carried out an expropriation scheme on such a grand scale? The New York Times' dispatch says that the Government would take a minimum profit of one cent a cord on all wood converted into newsprint. In this way "Quebec would make more money than at present under the system of leasing limits to concerns by means of leases running an indefinite period.

In 1931, a year when more pulpwood was being used than in 1932 or to date in 1933, Quebec used 1,973,089 cords of pulpwood in the manufacture of pulp. This is a gross figure and not all of this wood is processed into newsprint paper.

The suggested profit of one cent a cord, would net the Government on the basis of the 1931 returns exactly $19,730.

Even under present day conditions there isn't an operator of any consequence which does not pay the Government a great deal more than $19,730 annually in the way of stumpage dues, etc. As a source of revenue it is hardly conceivable that a cent a cord would prove attractive to Mr. Taschereau's Government or any other provincial government for that matter.

Bondholders Are Awake

The reference to the "billion dollar" industry in Eastern Canada is repeated. Attention is drawn to heavily bonded debt of the newsprint, saying that paper bonds are now worth about 40 per cent of their face value "and their owners are becoming uneasy."

The only comment on this statement is that if the owners have not been uneasy long before this, then they do not need to worry about present prices of their bond holdings.

Some Figures on Cost

The Quebec correspondent of the New York Times gives his analytical ability full scope when he says:

"A cord and a half of pulpwood, about 270 pounds of sulphur, and a small amount of special chemicals, each mill having its own process in connection with the latter, are sufficient for a ton of newsprint. Sulphur is selling at around $24 a ton, so that it costs a few cents more than $3 for this item, while the cord and a half of pulpwood runs to $8.48, making a total of $11.48 for wood and sulphur.

"Newsprint sells at $42 a ton, which leaves a difference of $30.52 to pay for the chemicals, wear and tear on machinery, wages of employees, freight and salaries to the heads of big companies"

Over-capitalization is not a direct cause of the newsprint industry's troubles. Many companies are over-capitalized. Some have had the water squeezed out, but it makes no difference to their position if they cannot secure business. The reference to large salaries paid to executives would have been true five or ten years ago, but the newsprint companies do not have to worry about large salaries these days. There has been deflation in this department as well as in others.

Some Items Overlooked

The statements made as to the cost of producing pulp and the conclusion that newsprint sells at $42 a ton, leaving a difference of $30.52 to pay for "chemicals, wear and tear on machinery, wages of employees, freight and salaries to the heads of the big companies," is misleading.

Obviously the writer of the article published by the New York Times has little or no knowledge of newsprint costs. To pass off lightly such items of expense as freight, power and steam charges, stumpage dues, taxes, return on capital, etc., as well as the other items mentioned, is to indicate all too clearly no thought has been given to the cost of producing newsprint.

Mischievous Propaganda

Pulp and paper executives regard the article as distinctly mischievous, especially that part of it which says "in the event of a Royal Commission being appointed, members would be empowered to make suggestions on improving the industry, and it is predicted that the first recommendation would be to lower prices for newsprint, since the cost of raw material is lower than it has been for years."

Aside from the absurdity of such a move proving helpful to the industry, the principal buyers of Canadian newsprint — The American publishers — know that newsprint is not being produced at a profit on the present basis of operations and selling prices. A drop in price would not add to consumption; in fact, it would not be welcomed by the publishers.

At present newsprint producers in Eastern Canada are operating about 50 per cent of capacity. The number of manufacturers who are able to make an operating profit can be counted on the fingers of one hand and are limited to those whose operations are substantially above the average level. Their ability to show profit is due to a combination of circumstances which do not apply to other manufacturers in the field. Any drop in the price of newsprint, therefore, would not help the industry, rather would it create a more hopeless muddle than before.

Cod Oil Output Should Increase

Increased production of cod-liver oil is looked for in Newfoundland to follow the ratification of the agreement with Great Britain which gives a slight preference to this commodity. It is expected that the agreement will be ratified shortly.

Refiners are ready for the new fishery and great care is to be given to preserve the high standard of medicinal oil, reports from St. John's state. Buyers everywhere insist on chemical analysis of both medicinal and poultry oils. This service will be provided refiners by the Fishery Research Bureau at Bay Bulls.

MASSEY-HARRIS CO. SALES MAINTAINED HOPES ARE HIGHER

F. H. Deacon & Co. Think Downward Trend May Have Been Stopped

Massey-Harris sales in the first part of the present fiscal year which began December 1, 1932, are within a few hundred dollars of total sales for the corresponding period of 1931-32, according to an interesting four-page analysis issued by F. H. Deacon & Co., members of the Toronto Stock Exchange. The brokerage firm sees in this fact a possibility that the downward trend has been stopped.

The pamphlet points out that much machinery has been wearing out in the last three years of poor sales and that a tremendous backlog of potential demand has been built up. The advance in wheat prices also suggests the possibility that the purchasing power of farmers may be increased in the next six months and in 1934. New sales and better collections would naturally result from such a condition, if realized.

Reorganization Not Expected

F. H. Deacon & Co. do not expect that Massey-Harris Co. will be obliged to reorganize its capital structure with sacrifices for all classes of security holders even if recovery should be delayed beyond the present year. Much depends on events but the beginning of the recovery in 1933 should in their opinion preclude such scaling down of capital obligations. There is no hidden situation which has to be taken care of out of future profits if the depression is lifting. Some sort of adjustment, it is admitted, might be necessary if definite recovery for farmers does not come before a year.

Ready for Recovery

The news is given that in the last two years the company's present management has effected savings amounting to $6,000,000 annually. The company is therefore prepared for recovery. No wholesale replacement of plant or equipment is needed. Massey-Harris products are up-to-date and during the depression the research and engineering departments have been active. In every line of product there are new devices. The company readily sold this year 1,000 of its new cream separators and a second 1,000 are being made. A new line of gasoline engines is now made and the reaper-thresher has been under constant test with a view to improvement and adaptation to every condition of service. All it needs is sufficient volume to make profits possible.

Equity of stocks is high, working capital excellent, bank loans lower and the company's world-wide organization capable of turning out 275,000 separate machines of more than 1,000 varieties with sales in fifty countries.

SUMMER APPAREL SALES ARE HIGHER

Hot Weather Stimulates This Line — Others Well Maintained

Weekly trade report of the Canadian Credit Men's Trust Association for the week ending June 30, is as follows:

Halifax — Wholesale and retail trade has been fairly satisfactory. Lumber prices have somewhat advanced, although still low. Lobster season reported as disappointing and dried fish almost unsaleable. Textile trades have been well employed, and a large order for rails has been placed with a local steel company. Collections poor to fair.

Saint John—Improvement continues in wholesale trade, with advancement reported in practically all lines. Retail trade moderately improved. Collections generally reported better.

Montreal — Wholesale groceries continue in fair demand; dry goods moving more evenly than formerly: boots and shoes and ladies' wear lines very fair; clothing better but still somewhat quiet. Both city and country retail merchants report a fair week's trading. Collections: wholesale, much better; retail, still very slow.

Toronto—Trade report conditions appear to be about the same as for the past two or three weeks. Seasonable goods show quite an improvement in turnover and reports indicate that smaller retail organizations are now obtaining a certain proportion of the business. Country trade throughout Ontario shows an improvement. Collections fair.

Winnipeg — Wholesale groceries continue in fair demand; boots and shoes, dry goods and ladies' wear lines continue to move fairly satisfactorily; other lines only fair. Retail merchants report very little change over previous week's trading, with probably a little more activity in summer apparel due to the extremely hot weather. Collections fair to good.

Regina — Wholesale trade report fair volume maintained in grocery line; dry goods returns average about the same as for the same period last year. Hardware report fair turnover. City retail trade report buying continues on a low scale—country trade very quiet. Collections: wholesale, current accounts satisfactory, old outstandings very slow. Retail: city, fair to slow; country, practically nil.

Moose Jaw—Wholesale and retail groceries continue to show improvement. Dry goods and boots and shoes, fairly good; hardware fair. Retail business generally reported as fairly satisfactory. Collections fair.

Saskatoon — Wholesale groceries continue quite steady and volume considered satisfactory; dry goods fair to good; hardware report fair turnover, about the same as last year. Oil sales continue to show good return. Retail trade generally report sales continue to show very satisfactory returns, the extremely hot weather resulting in a slight rise in summer clothing and beach tog lines. Collections continue fair.

Calgary—The recent hot weather has had a very adverse effect on business generally in retail lines, although groceries, summer wear, and car sales are keeping up surprisingly well.

Edmonton—Wholesale grocers report very satisfactory volume for this time of year; meat and produce, automotive and dry goods lines report increase in volume. City retail trade also showing improvement. Collections generally are improving. Crop prospects in Edmonton district excellent.

Vancouver—All lines of trade, both wholesale and retail, as well as manufacturing report a continual slight increase in the volume of sales, with collections on current purchases being very satisfactory. The sales of automobiles, both new and second hand, have considerably increased.

Kraft Board Not Profitable To Bathurst

From Our Own Correspondent

MONTREAL. — No profit was made by Bathurst Power and Paper Co. on its production of kraft fourdrinier board from the beginning of 1932 to the end of May, 1933.

It will be recalled that in 1928 the company installed its second newsprint machine bringing the capacity of the plant up to 140 tons daily. Demand for newsprint dropped to such an extent that the company found it necessary to convert one of the newsprint machines into a machine suitable to making kraft fourdrinier board, a material used by manufacturers of corrugated shipping containers, or close down the plant. These renovations, which took place in the early part of 1931, entailed an expenditure of $175,000.

During 1932 Bathurst manufactured 12,027 tons of kraft fourdrinier board, on which the net amount realized by the company was 81 cents a ton less than the cost of manufacturing.

During the first five months of 1933 the company produced and shipped 3,997 tons of kraft board, on which the company experienced an actual operating loss on the board produced of $3.90 a ton.

GOODYEAR TIRE BENEFITS FROM RISE IN PRICES

Profit on Inventories $500,000 — Has Earned Dividends

Goodyear Tire & Rubber Co. of Canada Ltd. earned preferred and common dividends in the first half of the current year and increased surplus account, according to C. H. Carlisle, president of the company, in a letter to shareholders. Inventory of finished goods is stated to be quite satisfactory and purchases of cotton and crude rubber show a profit, at present prices, of well over $500,000. This profit on inventories is not included in the six months earnings. Plant and equipment are carried at a very conservative amount.

Reserves have been set up during the half year at the same rate as in previous years and total reserve account now stands at $6,639,000; and current assets at $10,452,000. At December 31, 1932, working capital was $10,061,853. Investments in cash and government bonds are $6,400,000 and miscellaneous investments, $221,500. Surplus account stands at approximately $7,352,000 as compared with $7,230,000 at December 31 last.

In the current year, 135 shares of preferred stock of the company have been redeemed bringing the total redeemed to 7,025 shares under sinking fund provisions. Bonds of Goodyear Cotton Co. to the amount of $352,000 have been bought since the end of the last fiscal year leaving only $999,500 of bonds outstanding out of an original issue of $2,000,000.

While Mr. Carlisle mentions increase in Canadian as well as world business and comments on price increase, no statement is made as to any improvement in the business experienced by Goodyear Tire & Rubber Co.

Branded Beef Popular

Branded beef totalling 2,754,678 pounds was sold in Canada during the month of May according to a summarized statement of the Dominion Livestock Branch, and made from weights as estimated from the known number of carcasses and cuts. Of this total 931,246 pounds were "red label" or first grade and the balance "blue" label.

ALUMINUM SALES TO JAPAN, EUROPE SHOW LARGE GAIN

Russian Buying Transferred to Europe—Further Orders Expected

Foreign sales by Aluminium, Ltd., of Canadian aluminum have grown substantially in recent months, partly due to countries engaged in war operations and to foreign finishing plants which wished to replenish depleted stocks. Continuance of this improved business is expected, especially so if exchanges are made more stable and tariffs lower as a result of the world economic conference in London.

Russian Exports End

The business with Russia has been at an end for about four months. Subsidiaries in European countries of Aluminium, Ltd., now ship to Russia, the governments in those countries guaranteeing Russian credit. This substitute arrangement is much more advantageous for Aluminium, Ltd., as European governments take all the risks, whereas with Canadian shipments all the risks were taken by the company.

Japan Buys Heavily

Recent improvement in Canadian exports has been due in part to demand for aluminum from Oriental countries, particularly Japan. Heavy shipments of Canadian aluminum were made to Japan last fall, and with opening of navigation on the St. Lawrence this spring, Canadian aluminum exports to that country were resumed.

At the same time buyers elsewhere have resumed purchases. At the start of this year world stocks were low and in firm hands; buying for some time had been on a hand-to-mouth basis. Aluminium, Ltd., and subsidiaries had on hand about six months normal output. With accumulation of orders during recent months, shipments from Canada abroad started with a rush as soon as navigation was open.

Lost $1,221,732 Last Year

Aluminium, Ltd., for 1932 reported loss of $1,221,732, after interest, depreciation, etc. After taking to credit $291,598 gain from purchase and retirement of preferred stocks and bonds, net loss was $930,134, and after preferred dividends of $292,500 surplus account in balance sheet, which at end of 1930 stood at $3,102,959, was converted into a balance sheet deficit of $107,715. For 1931, loss was $972,932 and for 1930 there was net income of $968,567. At end of 1932, current assets, valued on a conservative basis, were $17,086,273, against current liabilities of $6,949,742.

Canadian aluminum exports in 1930 totalled in value $9,930,430, slumped to $4,495,177 in 1931 and $1,524,000, includes only a brief to $3,903,386 in 1932.

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Mining Stock Quotations

Week Ending July 3.

Par Val.	Range 1933 High	Low	Company	Sales	Close June 26 (or last)	High for week	Low for week	Close July 3
1	.05	.03	Abana	......	.03	.....	.....	.....
1	.02	.00½	Aconda	......	.01½	.....	.....	.....
No	.20	.03	Aldermac	300	.13	.16	.15	.15
1	.03½	.01	Alexandria	58,500	.02½	.03½	.02½	.02½
No	.05½	.02	Algoma	31,500	.03	.03½	.02½	.02½
1	.01¼	.00¾	Algonquin	23,100	.01	.01	.00¾	.01
1	.06	.00½	Amity C.	10,000	.02½	.02½	.02	.02½
No	.48	.10	Amulet	35,186	.35	.40	.34	.40
1	.01	.00½	Apex	......	.00¾	.....	.....	.....
1	.05	.02	Area	7,000	.04½	.04½	.03½	.04½
No	.04½	.01½	Arno	122,600	.03½	.03¾	.03	.03¾
1	1.36	.74	Ashley	2,875	1.00	1.10	1.01	1.10
1	.14	.02½	Bagamac	6,600	.05	.06	.05	.05
1	.03	.00¾	Baldwin	8,000	.01	.01½	.01	.01
1	.20	.08	Barry Hollinger	15,300	.12	.11	.10	.10
No	2.45	.75	Base Metals	19,025	2.22	2.27	2.15	2.21
No	1.00	.98	Beattie	......	.98	.....	.....	.....
1	.40½	.08	Big Missouri	38,400	.23	.28	.24½	.25
1	.27½	.08¾	Bobjo	139,950	.24	.27½	.22½	.24
No	9.00	2.28	Bralorne	1,820	6.90	7.05	6.45	7.00
1	.25	.15	Brett Trethewey	20,400	.22½	.22	.20	.20
1	.07½	.01½	Brownlee	123,600	.04½	.04½	.04½	.04½
1	.02½	.00½	Buckingham	28,000	.01½	.01½	.01½	.01½
No	.04½	.01½	Buffalo Can.	......	.03½	.....	.....	.....
5	16.50	15.60	Bulolo	900	15.75	16.00	15.40	16.00
No	.09½	.01½	Bunker Hill	240,500	.07½	.09	.07½	.08
5s	1.25	.60	B'Wana McKubwa	......	1.23	.....	.....	.....
No	.04	.02½	Canam Metals	......	.03	.....	.....	.....
1	.12½	.03	Can. Kirkland	35,450	.09	.09	.07½	.07½
1	.01	.00½	Capital Rouyn	......	.00½	.....	.....	.....
1	.03½	.01	Cartier Malartic	7,500	.01½	.01½	.01	.01½
1	.64	.15	Castle Trethewey	17,335	.51	.55	.48	.55
1	.18	.05	Cen. Manitoba	39,650	.12	.14	.12	.14
1	.32	.17	Cen. Patricia	23,000	.28	.30	.25	.29½
No	.20	.03	Chibougamau Pros.	37,500	.15	.15½	.11	.11
No	.10½	.03	Church. M. & Mill	......	.05	.....	.....	.....
No	.02½	.00¾	Clericy	91,500	.02½	.02½	.02	.02½
1	.02½	.01	Clifton Cons.	26,000	.01½	.01½	.01½	.01½
5	9.00	1.65	Coast Copper	2,145	5.75	6.80	5.50	6.50
1	.06½	.00½	Cobalt Contact	84,100	.05½	.06½	.04	.05
1	.15½	.05	Columario	29,900	.15	.15	.11	.13½
5	1.90	.75	Coniagas	5,400	1.60	1.75	1.50	1.65
No	.60	.20	Coniaurum	10,531	.60	.56	.50	.53
25	139.00	54.00	Cons. Smelters	8,970	131.00	139.00	130.00	138.00
No	37.65	13.60	Dome Mines	23,675	35.75	37.50	33.50	36.90
No	.09½	.03½	Dom. Explorers	41,400	.07½	.07½	.07	.07½
1	.01	.00½	Dominion Kirk	13,000	.00¾	.01	.00¾	.00¾
1	.04	.01	Don Rouyn	9,500	.01½	.01½	.01½	.01½
1	.04½	.02	Duparquet	15,300	.02½	.03	.02½	.03
1	4.11	1.16	Eldorado	85,074	3.60	3.80	3.49	3.60
No	4.55	1.80	Falconbridge	10,265	3.90	4.10	3.75	4.00
1	.06	.01	Federal	360,350	.04	.06	.03½	.03½
No	.06	.01	Gilbec	50,700	.04	.04½	.03¾	.04
1	.17	.04	Goldale	93,500	.14½	.17	.14	.16
10	.29	.10	Goldfield	15,911	.18	.18	.16	.16
.	.01½	.01	Gold Reef	......	.01	.....	.....	.....
1	.11	.02	Goodfish	126,800	.09	.11	.08	.11
1	.03½	.01	Graham	......	.02½	.....	.....	.....
1	1.95	1.19	Granada	35,960	1.25	1.28	1.15	1.25
1	.18	.06	Grozelle	26,300	.18	.18	.13	.13
1	.38	.24	Halcrow Swayze	20,500	.36	.38	.36	.38
1	.06	.02	Harker	11,500	.04½	.04½	.04	.04½
1	.01½	.00½	Hilltop	15,000	.01½	.01½	.01	.01½
5	10.90	6.00	Hollinger	14,191	9.60	9.75	9.05	9.60
1	1.00	.61	Howey Gold	55,695	.91	.95	.88	.94
No	10.55	3.10	Hudson Bay	3,330	9.00	9.25	8.50	9.25
No	.45	.25	Huronian	1,320	.43	.45	.40	.45
No	21.60	8.00	Int. Nickel	140,515	19.80	21.60	19.00	21.50
1	.03	.00¾	Jackson Manion	474,200	.02	.03	.01½	.02½
1	.50	.20	Keeley	1,000	.45	.50	.43	.43
1	.02	.00½	Keora Mines	......	.00¾	.....	.....	.....
1	.76	.48	Kirk. Hud. Bay	200	.57	.56	.55	.56
1	.02¾	.00½	Kirk. Hunton	25,500	.01½	.01½	.01½	.01½
1	.52	.30	Kirkland Lake	33,241	.42	.42	.38	.39
1	.04	.01½	Kirkland Premier	10,864	.03½	.04	.03	.03
1	.46	.12	Kirk. Townsite	114,950	.39	.39½	.33	.37
20c	.02¾	.00½	Koot. Florence	21,500	.01½	.02½	.01¾	.01¾
1	.35	.15	Lakeland	4,700	.20	.29	.20	.29
No	.18½	.07	Lake Maron	14,100	.15	.15	.13½	.14
1	45.80	30.75	Lake Shore	9,865	41.50	43.25	40.05	42.50
1	.08½	.02½	Lebel Oro	47,500	.07	.08½	.05½	.06½
No	.29	.18	Lee Gold	72,200	.20½	.23	.14	.18½
1	.74	.20	Macassa	242,900	.69	.72	.68	.70
1	.23	.05	Malartic	53,350	.17	.18	.12	.18
1	.05½	.01	Malrobic	144,800	.05	.05½	.05	.05
No	.17	.02¾	Mandy	1,600	.10½	.13	.10	.13
No	.07	.01	Manitoba Basin	130,300	.05½	.06½	.05	.05½
5	36.25	21.20	McIntyre	5,410	32.50	33.65	31.10	32.00
1	.50	.30	McKinley	75	.50	.50	.50	.50
No	.08	.02½	McLeod River	41,600	.03½	.04	.03½	.03½
1	.35	.03	McMillan	11,200	.28	.25½	.20	.24
No	.95	.46	McWatters	13,100	.89	.89	.75	.80
1	.84	.15	McVittie	46,417	.63	.65	.60	.62
5	1.10	.06	Mentor Exp. & Dev.	......	1.10	.....	.....	.....
No	2.40	1.20	Mining Corp.	16,045	2.10	2.30	2.00	2.20
1	.05	.01½	Moffatt Hall	39,200	.02½	.03½	.02½	.03½
1	.12	.02	Moneta	42,700	.06	.12	.06	.11
1	.00½	.00½	Montreal Rouyn	5,000	.00½	.00½	.00½	.00½
1	.40	.08	Moss	65,925	.08½	.09½	.08	.08½
1	.02½	.00¾	Murphy	14,900	.02¾	.02½	.02	.02¾
No	.06½	.02½	Newbec	60,100	.04½	.04½	.04	.04
1	.06	.01½	Night-Hawk Penn.	3,000	.04	.04½	.04½	.04½
5	3.40	1.15	Nipissing	19,000	2.60	3.05	2.65	2.80
No	35.15	19.75	Noranda	23,738	32.50	33.30	31.25	32.85
No	.52	.32½	Nor. Canada	700	.44	.44	.44	.44
No	.34	.19½	Normont-Gold	4,100	.34	.34	.32	.34
1	.34	.05	Osisko	5,100	.18	.20	.16	.18
1	.28½	.11	Parkhill	87,850	.22	.26	.21½	.26
1	.03¾	.01½	Pawnee Kirk.	4,000	.02	.03	.02½	.03
1	1.80	.50	Pend Oreille	13,545	1.35	1.42	1.25	1.30
1	.03½	.00½	Peterson Cobalt	7,000	.02½	.02½	.02½	.02½
1	16.25	4.30	Pioneer Gold B.C.	10,810	14.00	14.80	13.00	14.00
1	.03	.00¾	Porcupine Crown	3,000	.02	.02	.02	.02
1	.01¾	.00½	Potter Doal	28,500	.01½	.01¾	.01½	.01½
1	1.60	.55	Premier Gold	26,250	1.22	1.30	1.13	1.20
1	.03½	.00¾	Preston E. Dome	6,000	.02	.01¾	.01½	.01½
No	1.60	.68	Prospectors Air's	4,200	1.41	1.40	1.10	1.15
No	.15	.03	Quemont	500	.13	.11	.11	.11
1	2.75	.60	Reno	78,170	2.43	2.51	2.15	2.30
1	.02½	.00½	Ribago	88,600	.01¾	.02	.01¾	.02
1	.03	.01½	Ritchie	3,000	.02	.02½	.02½	.02½
1	.04	.01	Robb Montbray	13,320	.02½	.03½	.03	.03½
1	1.25	.75	San Antonio	15,534	1.06	1.16	1.03	1.11
1	.03	.03	Seven Troughs	......	.03	.....	.....	.....
1	1.61	.33	Sherritt Gordon	77,626	1.23	1.39	1.18	1.36
1	1.77	1.25	Siscoe	80,525	1.52	1.55	1.42	1.50
1	.10½	.02½	South Keora	1,500	.04½	.04	.03½	.03½
No	.06	.01½	Stadacona	189,600	.04½	.04½	.03½	.04½
1	.60	.07	St. Anthony	11,900	.44	.43	.35	.38
No	2.21	.60	Sudbury Basin	13,255	1.69	1.80	1.61	1.80
1	.11	.00½	Sudbury Contact	52,300	.08½	.09½	.08½	.09½
1	.01½	.00½	Sudbury Mines	23,500	.01	.01½	.01	.01½
No	.25	.16½	Sudbury Nickel	......	.20	.....	.....	.....
1	.38½	.20	Sullivan	30,750	.29	.31	.26	.31
1	1.44	.72	Sylvanite	359,805	1.40	1.44	1.24	1.34
1	.03½	.01½	Tashota	......	.01½	.....	.....	.....
1	7.25	3.70	Teck-Hughes	39,875	6.40	6.55	6.10	6.30
1	.10	.03	Thom. Cadillac	16,000	.07½	.09	.08	.08
1	.40	.10	Towagmac	1,400	.29	.29	.25	.25
1	3.00	1.00	Treadwell	2,050	2.00	1.99	1.75	1.99
1	.17	.04	United Kirkland	9,000	.14½	.13½	.12	.13
No	.06½	.01½	Vacuum Gas	11,000	.02½	.02½	.02½	.02½
No	2.40	2.30	Venezuela	......	2.35	.....	.....	.....
No	1.50	.80	Ventures	51,695	1.11	1.15	1.08	1.12
1	.22	.03	Vickers	30,700	.04	.04	.03½	.03½
1	.75	.20	Vipond	15,475	.50	.55	.50	.55
No	1.65	.35	Waite Ackerman	4,525	1.30	1.35	1.25	1.30
50c	.70	.40	Wayside	169,370	.40	.46	.33	.40
1	.07½	.02½	White Lake	500	.05	.04½	.04½	.04½
1	.28	.02	Wiltsey Coughlan	127,550	.25	.25½	.21	.23½
1	.27	.07	Wood Kirkland	10,300	.22	.23	.15	.18
No	7.00	3.73	Wright-Hargreaves	102,130	6.40	6.75	6.05	6.55

OIL STOCKS

Par Val.	Range 1933 High	Low	Company	Sales	Close June 26 (or last)	High for week	Low for week	Close July 3
No	.15	.06	Acme Gas & Oil	35,700	.13½	.14½	.13½	.14
1	.04½	.04½	Admiral	......	.04½	.....	.....	.....
1	1.20	.55	Ajax	19,150	1.10	1.18	1.10	1.14
1	.23½	.05	Alta. Pacific	8,650	.15	.19½	.16	.19
1	.18½	.05	Amalgamated	5,140	.14	.14	.10	.10
No	.14½	.04	Associated	20,075	.10	.14½	.10	.14
No	.06	.01	Baltac	6,500	.03	.04½	.03½	.04½
No	.82	.25	Calgary & Ed.	3,575	.72	.82	.70	.79
1	.13	.03	Calmont	9,300	.08	.12	.10	.11
1	.11	.03½	Common. Pete.	100	.08	.07	.07	.07
No	.45	.05	Dalhousie	3,610	.30	.40	.32	.40
No	.04	.02	Devenish	200	.03	.04	.04	.04
No	.22	.05½	East Crest	3,300	.13	.15	.15	.15
No	.36	.25	Erie Gas	......	.27	.....	.....	.....
No	.01½	.00½	Fabyan Pete	44,000	.01	.01	.00¾	.01
No	.41	.06	Foothills	1,950	.35	.35	.20	.34
No	.09½	.04	Freehold	11,650	.06½	.07½	.07	.07½
No	.06½	.01½	Hargal	......	.05	.....	.....	.....
No	1.30	.30	Home	55,556	.90	1.30	.90	1.28
1	.20	.10	Homestead O. & G.	11,460	.17	.17	.16	.16
No	.25	.10	Lowery	6,000	.10	.25	.19½	.25
No	.18½	.05½	Marjon Oil	9,768	.18	.18	.14	.15
1	1.13	.14	Mayland	14,957	.95	1.13	.95	1.03
No	.08	.03½	McD. Segur Ex.	......	.05	.....	.....	.....
1	.50	.25	McLeod	1,200	.31	.32	.32	.32
No	.15	.07½	Mercury	20,815	.11	.12	.07	.12
No	.32	.11	Merland	7,400	.21	.30	.23	.25
.	.01½	.01	Mid West	500	.01	.01½	.01½	.01½
No	.20	.09	Mill City Pete	......	.12	.....	.....	.....
1	.45	.12	Model	1,500	.38	.39	.30	.33
5	.20	.09	Nordon	38,300	.13	.16½	.12½	.15
No	.05½	.02½	Oil Selections	18,500	.04½	.05½	.04½	.05
No	.15	.04½	Okalta	......	.09½	.....	.....	.....
No	.61	.20	Olga Gas & Oil	29,800	.50	.51	.49	.50
5	.03½	.01	Penn. Pete	......	.01½	.....	.....	.....
1	.25	.13	Petrol Oil & Gas	......	.25	.....	.....	.....
No	.02	.02	Richfield	......	.02	.....	.....	.....
No	16.00	5.75	Royalite	1,400	13.00	14.00	13.00	14.00
1	.25	.05	Sarnia Oil	92,900	.15	.25	.14½	.24
No	.18	.04	South West Pete.	1,575	.10	.18	.15	.15
1	.06	.06	Spooner	......	.06	.....	.....	.....
No	.40	.12	Sterling Pacific	2,000	.30	.40	.39	.39
.	.43½	.43	Trinidad Oil	......	.43½	.....	.....	.....
No	.16	.03	United	2,900	.08	.08	.07	.07½
No	.21	.06	Vanalta	2,325	.14	.15	.10	.10
No	.01	.00½	Wainwell	......	.00½	.....	.....	.....

VANCOUVER STOCK EXCHANGE

(Transaction for Week to June 27)

Par Val.	Range 1933 High	Low	Company	Sales	Close June 20 (or last)	High for week	Low for week	Close June 27
25c	.03	.00½	Bayview	5,600	.02½	.02½	.01½	.02½
20c	.10	.02½	Beaver Silver	64,050	.07½	.08	.06	.07
25c	.17	.05½	Big Slide	13,600	.07½	.07½	.06½	.06½
25c	.06½	.02	Bluebird	2,700	.05½	.05½	.04½	.04½
No	9.00	1.38	Bralorne	12,634	7.30	7.30	6.80	7.25
1	.57	.05	Bridge River Cons.	62,788	.40	.43	.34½	.40
50c	.71	.35	Bridge River Ex.	81,850	.37	.60	.52	.58
100	89.00	88.50	B. C. Electric, pfd.	......	88.50	.....	.....	.....
1	1.50	.60	B. C. Silver	200	1.25	1.40	1.40	1.40
No	.82	.60	Burns Mountain	......	.60	.....	.....	.....
1	4.15	1.50	Cariboo Gold	20,325	3.00	3.10	2.75	2.99
No	12.90	5.60	Coast Breweries	394	9.75	10.00	9.50	9.75
25c	.02½	.00½	Cork Province	21,900	.02	.02	.01½	.01½
1	.02½	.02½	Cotton Belt	......	.02½	.....	.....	.....
1	.08	.00¾	Dalhousie Mines	7,000	.05	.04	.03½	.03½
1	.13	.02	Dunwell	9,510	.11	.08½	.05	.07
1	1.00	.28	George Copper	1,115	.60	.60	.50	.55
50c	.12	.04	Geo. Enterprise	7,250	.04½	.05	.04	.04½
1	.09½	.02	Georgia River	43,100	.07	.07	.05	.05½
1	.60	.16	Golconda	4,900	.43	.43	.40	.42
50c	1.05	.60	Gold Belt	23,500	.98	1.00	.95	.98
1	1.15	.95	Golden Belle	12,100	.98	1.15	.95	1.15
50c	.11	.03½	Grandview	24,050	.07	.07	.05	.07
1	.01½	.00½	Independence	250	.01½	.01	.01	.01
1	.03½	.02	Indian Mines	2,326	.03	.03½	.02½	.02½
1	.17	.08½	Inter. Coal	1,600	.15	.15	.13	.13
1	.36	.36	Jack Waite	200	......	.36	.36	.36
50c	.57	.33	Kootenay Belle	16,500	.36½	.42	.33	.42
25c	.04	.00½	Kootenay King	15,000	.01	.04	.01½	.01½
25c	.00¾	.00½	L. & L.	3,000	.00¾	.00¾	.00¾	.00¾
1	.01	.00¾	Lakeview	63,900	.00¾	.01	.00¾	.00¾
10c	.06½	.01	Lucky Jim	14,200	.05	.05	.04½	.05
10c	1.05	.20	Meridian Min.	83,295	.65	.67	.56½	.63
.	.01½	.00½	Marmot Metals	28,950	.01½	.01½	.01	.01½
5c	.13	.05	Metaline Metals	2,000	.09	.08½	.08½	.08½
50c	.41	.18	Morning Star	81,330	.28	.27	.21	.25
1	.06	.00½	Merton Woolsey	29,800	.04½	.05	.04	.04½
1	.29	.09	Native Sons	29,100	.14	.14	.11	.12
50c	.10½	.00¾	National Silver	90,800	.07	.07½	.05½	.07
50c	.85	.74	Nicola	5,950	.83	.85	.83	.84
50c	.21½	.02½	Noble Five	69,450	.16	.17	.13½	.15½
50c	.01	.00½	Oregon Copper	......	.01	.....	.....	.....
1	.35	.25	Pavilion	......	.25	.....	.....	.....
1	1.25	.40	Pioneer Extension	......	1.10	.....	.....	.....
1	16.10	4.30	Pioneer Gold	2,275	14.50	15.00	13.25	14.75
1	.11	.10	Planet	......	.10	.....	.....	.....
50c	.19	.04½	Porter Idaho	19,500	.14	.17	.12	.13
No	.04	.00½	Premier Border	44,676	.02½	.02½	.01	.02½
1	.10	.02	Quatsino Copper	8,500	.04	.05	.05	.05
No	.42	.10	Reeves McDonald	1,100	.30	.27	.25	.27
1	.30	.25	Reliance	......	.27	.....	.....	.....
1	2.70	.60	Reno Gold	97,640	2.33	2.60	2.35	2.45
1	.22	.04	Reward Mining	26,300	.15	.15	.13½	.14½
1	.10	.01	Rufus Argenta	17,900	.05½	.05½	.04	.05½
1	.07	.02½	Ruth Hope	3,025	.05	.05	.03	.05
.	.65	.49	Sally Mines	5,280	.52	.55	.49	.50
1	.15	.03½	Silverado	2,568	.10	.10	.08	.09½
25c	.09	.01	Silver Crest	98,100	.06½	.06½	.05	.06
20c	.03½	.01½	Silversmith	......	.03¾	.....	.....	.....
50c	.04½	.01	Snowflake	26,100	.02½	.02½	.02	.02½
25c	.06	.06	Sonora	......	.06	.....	.....	.....
1	.61	.40	Standard Gold	5,200	.44	.47	.40	.40
1	.50	.25	Sunloch	......	.45	.....	.....	.....
.	.40	.20	Toric	......	.20	.....	.....	.....
50c	.03½	.02	Topley Richfield	35,358	.03	.03½	.02	.03½
50c	.60	.08	Wayside	45,100	.43	.44	.38	.41
25c	.12	.01½	Waverly Tangier	97,175	.08½	.09½	.06½	.09
20c	.05	.01½	Wellington	3,500	.04	.02½	.02	.02½
1	.18	.03	Whitewater	11,813	.14	.15	.11	.14
.	.48	.40	Yankee Belle	200	.45	.42	.42	.42

DIVIDEND PAYERS

	Rate	Yield %		Rate	Yield %
Ajax Oil	8c.	7.01	Merland Oils†	2½c.	.....
Coniagas‡	12½c.	.....	Noranda‡	50c.	.....
Coniaurum†	3c.	.....	Petrol Oil	*2c.	.....
Cons. Smelters*	10%	.....	Premier	12c.	10
Dome Mines	$1+55c.	4.30	Pioneer, B.C.	60c.	4.28
Falconbridge	10c.	.....	Royalite	*1.50	.....
Hollinger	65c.+10c.	7.81	Siscoe	12c.	8
Howe Sound	40c.	.....	Sterling Pacific Oil†	*2½c.	.....
Lake Shore	$2+$1	7.05	Sylvanite	4+1c.	3.73
McIntyre	$1.50+12½c.	5.06	Teck-Hughes	60c.	9.52
McLeod Oils‡	5c.	.....	Wright-Har	20c.	3.05

*Stock. ‡Interim. †Initial. *Paid in 1932.

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Canadian Mining News

UNIQUE COPPER PROPERTY MINED NEAR SHERBROOKE

Consolidated Copper & Sulphur Has Operated 55 Years Successfully

AT GREAT DEPTHS

Holds Record for Low Labor Turnover With Three Generations of Employees

By B. F. TOWNSLEY,
Mining Editor, The Financial Post

SHERBROOKE.—Nestled in a picturesque, peaceful and profitable rural community about six miles west of Sherbrooke is a unique mining operation—unique because it is a copper property that has successfully resisted the most trying period the industry has known without curtailing its production one whit and unique also because it has been in practically continuous operation since 1878—55 years—Canada's oldest metal mining operation.

The property that has such a unique record is the Eustis mine, operated by the Consolidated Copper and Sulphur Co.—a private company owned by United States interests. From 1878 to 1927 the property was operated by the Eustis Copper Co., then a consolidation of properties brought the present company into existence with the old company, headed by Boston interests, retaining 20 per cent. Of the balance 60 per cent is owned by the International Minerals and Metals Co., of New York, large metal merchants and 20 per cent is owned by the Phelps Dodge Corp.

Produces Pyrite and Copper

The mine is called a copper property and its chief product is copper in normal times, but with that metal at very low levels, pyrite becomes the economic mineral, on account of its sulphur content, and copper is the by-product, although the mill heads are about five per cent copper. Year in and year out with but slight deviation the mill treats 250 tons daily producing by a differential flotation process two concentrates, one copper, running about 28 per cent of that metal, the other pyrite, averaging better than 50 per cent sulphur.

The pyrite finds a ready market under long term contracts, of which about 750 tons monthly goes to a Three Rivers pulp and paper plant to be used in the Freeman process for producing sulphurous acid, essential in the huge digestors that break down the pulpwood chips into sulphide.

The community that has been built up around this unique mining operation boasts of three generations working simultaneously. Few there are in the staff of 155 souls employed that have not been 25 years on the property; even with that term of service one is regarded as a novice by the bearded teamster who has been continuously employed for 47 years on the property. Where generation after generation continue to work at the property the labor turnover is probably the lowest of any mining operation in Canada.

The ore mined comes principally from one shoot, sometimes pinching down to four feet in width. The main incline shaft, sunk on the vein that dips about 47 degrees, is continuously being deepened and at 5,750 ft. on the incline is among the deepest properties mined in Canada. As the outcrop is some 600 feet above the collar of the shaft this unique property is headed for unprecedented depths as there is no sign that the ore is diminishing.

Mining Society of N.S. Meets July 11 and 12

The annual meeting of the Mining Society of Nova Scotia, to be held this year in Sydney, N.S., on July 11 and 12, has attracted the attention of a number of visitors from the central provinces, notably his Excellency the Governor-General, who is a patron of the society, the Hon. W. A. Gordon, Minister of Mines at Ottawa, Balmer Neilly, of Toronto, president of the Canadian Institute of Mining & Metallurgy of which the Nova Scotian Society is a part, and E. J. Carlyle, of Montreal, secretary of the institute.

The technical programme this year is brief and bears mainly upon coal mining, which constitutes the principal industry of the province. Cape Breton is one of the most beautiful parts of Canada, and excursions from Sydney have been arranged.

FLIN FLON MINE HAS MET EXPENSES AND SHOWN PROFIT

Gold and Silver in Ore Make Up for Low-priced Copper

Manitoba's great mine, the "Flin Flon," has been operated consistently throughout the depression, and even with copper at one half to one third its normal price, it has met expenses and made a little profit besides. Small amounts of zinc, gold and silver in the ore have helped to make this profit possible.

This is an extraordinary achievement, and it results from methods and conditions which are set forth in a paper entitled "Flin Flon Open Pit," by M. A. Roche, the mine superintendent, in the July Bulletin of the Canadian Institute of Mining and Metallurgy.

Blasting at Lake Bottom

The mine was discovered on a point of land in Flin Flon Lake and extends beneath the lake for a length of about half a mile. It was decided to mine the ore to a depth of 450 feet beneath the surface by open pit and electric shovel so a part of the lake was dammed off and the water, along with about a million tons of clay on the bottom, was removed with large electric pumps.

For the last three years the drilling and blasting of ore from the former lake bottom has proceeded steadily. Series of 6-inch holes up to 50 feet in depth are drilled and then blasted simultaneously, using as much as 145 tons of dynamite in one blast. The ore thus broken from the solid contains some large lumps which are drilled with jackhammers and blasted separately. The broken ore is loaded into cars by electric shovels and hauled in trains up a 6 per cent grade to the mill.

The crews for all this work are mainly men from the Manitoba prairies. Mr. Roche pays tribute to their efficiency when once they have learned their various duties on the shovels, drills and electric trains. One can well imagine the benefit this steady employment of some thousands of men, connected directly and indirectly with the mine, has been to the people of Manitoba during the past three years, as well as the millions of dollars of new wealth put in circulation each year.

REDUCING COSTS MINE TIMBERING BY CREOSOTING

The mines have provided an increasing market for timber during recent years when other markets for the forest products have gone to pieces. This timber is used mainly in the underground workings to line the shafts, support the tunnels, build chutes and many other purposes. The conditions of humidity and temperature in the mines are such as to promote a very rapid growth of the fungi that cause decay, and three years is about the limit to which timber in its natural state will keep its strength.

The treatment of mine timber by chemical preservatives which prevent the attack of these fungi is increasing rapidly both in this country and in the United States, though only a small part of the timber is so treated up to the present. As treated timber will last 15 years or longer and its cost is only about 40 per cent greater than that of untreated timber, the economy of installing the treated material in the permanent workings of a mine is obvious.

B. M. Winegar reports on this in some detail in a paper entitled "Preservation of Mine Timbers" in the July Bulletin of the Canadian Institute of Mining & Metallurgy. He shows that over two-thirds of the cost of installing and maintaining the timber in shafts and other permanent workings can be saved if it is treated with creosote or zinc chloride.

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B. C. MINES SHOW MORE ACTIVITY OUTPUT HIGHER

Gold Production in 1933 Estimated at $5,000,000

DECLINED IN 1932

Value of Mineral Production Last Year Was 19 p.c. Under That of 1931

From Our Own Correspondent

VANCOUVER. — British Columbia mines are expected to produce this year far more than in 1932 both in tonnage and value, according to an official estimate prepared by John D. Galloway, provincial mineralogist. Mr. Galloway believes, for instance, that the present year will show a production of gold alone worth $5,000,000, due to the development of the Bridge River area and the reawakening of interest in the Cariboo lode and placer fields.

It is the opinion of government engineers that British Columbia gold mines will surpass this year by a fair margin the best showing ever made by the famous Rossland field of two score years ago.

Gold Output Gained

Meanwhile the official figures for 1932 production in British Columbia have now been issued. The increased output of gold, both placer and lode, during 1932, is only a slight indication of the activity taking place in searching for and developing gold properties, reports Mr. Galloway. The total gold output of $4,100,061 as compared with $3,310,886 in 1931, is an increase of 24 per cent. As much of the gold was sold on the basis of American funds, the premium to British Columbia producers amounted to about $556,000, so that the total value, including premium, was about $4,656,000. As the premium was not nearly so high in 1931, the 1932 figure shows an actual increase of 41 per cent over the 1931 production value. This year, of course, the premium will total even higher. It may bring total value of gold production closer to $6,000,000 than $5,000,000.

Indicative of the revival in mining this year, 46 new companies were incorporated. Twenty-seven of these companies were organized to operate lode gold properties, 13 to operate placer properties, and six for other kinds of mining deposits. This shows the overwhelming interest in gold mines at the present time.

Mineral Production Down

Gross value of mineral production in British Columbia last year was $28,241,618, a decrease of 19 per cent, according to official figures just issued. The decline was due to the reduced output of copper, coal and zinc and the low quotations for those metals.

The tonnage of metalliferous ores mined in the year was 4,340,153, as compared with 5,549,103 in 1931, a decrease of 21.8 per cent. The average gross value of the ore mined was $4.32 per ton as compared with $4.06 in 1931. The higher value is due to the increased volume of gold mined. The total output of gold is placed at $4,100,061, without premium.

The silver output was 7,130,838 ounces, valued at $2,258,453. Chief silver producers were the Sullivan and Premier mines. The Wallace Mountain camp also produced silver profitably.

Some 254,000 tons of lead were mined, valued at more than $5,300,000. Sullivan mine was the big producer of lead.

Zinc was valued at $4,621,640—192,120,000 pounds—and most of it came from Sullivan, the big Consolidated Mining & Smelting unit.

The copper production was valued at $3,179,956, representing a decline of $2,000,000 in round figures as compared with 1931. The only copper producers on an important scale in British Columbia last year were Britannia mine of the Howe Sound Co. and the Hidden Creek mine of the Granby Consolidated.

WIDENING MARKET NOVA SCOTIA COAL BY COKE RESEARCH

Federal Officials Give Results of Two Years Intensive Study

When it was announced over a year ago that the Lasalle coke plant in Montreal would in future use a considerable proportion of Nova Scotia coal in admixture with the imported coal formerly used exclusively, few people realized the amount of investigation and research required to effect this change. The Nova Scotian coal has some characteristics decidedly different from those brought from the United States, and the proper way of using it had to be determined by experiment.

These practical researches are described in a paper "Recent Investigations on the Nature, Preparation and Coking of Typical Coals from the Sydney Area, Nova Scotia," by R. E. Gilmore and R. A. Strong, which appears in the July Bulletin of the Canadian Institute of Mining & Metallurgy. These two officers of the Department of Mines, in Ottawa have devoted several years to this problem, have studied the mining, washing and storing of the coal at Sydney, the storage and coking of the coal in Montreal and the quality of the various classes of coke produced, as well as conducting much experimental work at the Fuel Research Laboratories in Ottawa.

The result, stated in modest terms, is to open to the Nova Scotian coal an important market in Montreal, with the probability that it will be considerably extended. It is such work as this that gives to the people of Canada a fine return for the modest amount they spend annually to support the Department of Mines in Ottawa.

Fred Wells' Persistence Revitalizes the Cariboo

Refusing to Accept the Prevailing Theory That It Held No Possibilities as a Lode Camp, He Worked on and Now it is Attracting the Leaders

From Our Own Correspondent

VANCOUVER.—The magic name in the Cariboo country this year is that of Fred M. Wells.

Wells is the man whose persistence may yet prove the Cariboo, once regarded as the placer man's paradise, to be a lode gold field of importance.

He is a modest, rather taciturn prospector of middle age, who has given his best years to the mining game in British Columbia and who has had his downs as well as his ups. But he has shown that what he lacks in technical schooling he makes up in infinite patience and in amazing faith, under circumstances that might have deterred the more scientific mind.

Old-time mining men remember Fred Wells in many British Columbia camps, even though his true love has always been the Cariboo. He was active in the roaring days of the old Rossland field and was one of the men who made Surf Inlet a valuable property. But while he has played an important rôle in the development of many mines in several sections of the province, Wells was never quite satisfied. He would never admit complete success. Even now, when he is regarded by prospectors and other members of the mining fraternity of the Cariboo, as their hero who has revitalized the old mining field whose glory was believed to be only in the past, Fred Wells still prefers to let others do the boasting, but his efforts have not been without wide publicity to aid in raising funds to back his theories.

Not Seeking Limelight

Wells has been too busy personally to seek the limelight since he started his operations at Cow Mountain, back of Jack of Clubs Lake, not far from the ancient town of Barkerville, which is steeped in the traditions of the early sixties and the "golden era" of the Cariboo.

Many veteran prospectors before Wells' day had a theory that the so-called "B" veins of the Barkerville region possessed worthwhile ore. Some of the more hopeful souls actually mined them, but due to lack of funds or effective equipment they never made much progress. The noted geologist, Dr. Dawson, believed that these long neglected veins were worth developing. So did Amos Bowman, who made the most complete and accurate maps of the Cariboo ever done, and Dr. Uglow, who developed the "B" vein theory in detail. He pointed out that nearly all the placer mining had been confined to ground where there were outcroppings of the harder but almost barren "A" veins. The softer "B" veins had been eroded to such an extent that their exploration was difficult and, besides, it was thought that the first miners in the Cariboo, who were practical men with Australian and Californian experience, had taken all the gold there was to be found. But Dr. Uglow, before his untimely death, predicted that some day someone would make a real attempt to ferret out the gold from these forgotten veins and be rewarded for his pains.

A Hard Rock Miner

It remained for Wells to reap that reward of public attention. However, Wells has never been one to accept the claims of scientific men. He is a practical hard rock man himself and somehow has even a contempt for men who speak in technical phrases. It is said that when he visited the Lowhee hydraulic mines some years ago and saw gold in the boulders unearthed there he first got his "hunch." Subsequently he staked his claims on Cow Mountain and last fall he began to get results.

Just what those results are has not yet been definitely established. Estimates of the values have run all the way from $7 to $18 a ton. The only tangible result since the mill started last January has been the arrival of one gold brick valued at $17,000 in Vancouver from the Cow Mountain mine.

Is Confident

Wells, himself, is absolutely confident. He and his company, Cariboo Gold Quartz Mining Co., are confident and plan to tunnel through Barkerville mountain and establish larger operations, depending on the success attained.

Probably the most important effect of it all so far, however, has been the re-birth of faith in the Cariboo and the important mining companies that are interested. If the famous old placer field is found to be also a lode field it will mean another important addition to Canada's gold areas. At any rate, the work of Wells has contributed probably more than any other single factor to the 1933 rush to the Cariboo.

Revitalizes Cariboo

FRED M. WELLS
Whose efforts at the Cariboo Gold Quartz Mining Co. is attracting further interest to this old placer area as a lode mining district.

B. C. GOVERNMENT URGES INVESTORS USE DISCRETION

Warns Against Fraudulent Mining Promotions

From Our Own Correspondent

VANCOUVER. — Warning against fraudulent mine stock promoters has again been issued by the provincial government. Although the government points out that the Securities Frauds Prevention Act gives the public a much better run for its money than they received prior to the enactment of that legislation, the only guarantee against investment of funds in worthless mining stock is discretion and reasonable investigation.

The government points out that legislation is now on the statute books making it necessary for a fair percentage of the money raised from the public being spent on development work, and that the financial set-up of mining companies must now be in accordance with a carefully prepared code. But it warns that, even after these safeguards have been provided, the public has no assurance that the properties owned by the company are sound from a mineral standpoint. Reference to government reports and other reliable sources of information are recommended in all cases.

Two Stocks Suspended

Vancouver Stock Exchange has seen fit to suspend trading in at least two mining stocks so far this year. In one case the stock was eventually reinstated. One of the explanations offered by the exchange was that insufficient number of shares in the stock had been made available to the public to provide a reasonable market.

Executives of the larger and better established mining corporations claim that there has been the usual crop of high-pressure stock promoters following in the wake of the genuine recovery of the Bridge River area. Many properties are being boosted merely because they are within a comparatively short distance of the mines that have been producing.

Mining Outlook Thought Brighter

"The Times" (London, England) gold number portrays the outlook for the gold mining industry in Canada as decidedly bright. It concludes its article on Canada as follows:—

> "Ore reserves at the larger properties are sufficient to guarantee continuous and steady operation for years to come. Any adverse effect that may result from a rise in commodity price levels will be largely compensated by increased production of gold as a by-product from base metal operations.
>
> "Improvements in the treatment of low-grade gold ores have changed the entire outlook for such properties. In this connection the research work of the Department of Mines at Ottawa is outstanding, and it is largely because of the success of this work that these deposits can be successfully operated."

Alberta Wells Given Leeway of 400 Feet

Alberta regulations have been amended to prohibit the drilling of a well within 400 feet of any other well without the consent of the Government.

"Previously no well could be drilled within 300 feet of the nearest boundary of any allowance, surveyed road, railway or other right-of-way, dwelling, school or church, or within 300 feet of the boundaries of the area owned or controlled by the operator, without the consent of the minister."

WANTS MEMORIALS INSCRIBED TO MARK MINE DISCOVERIES

Copper-Nickel Industry at Sudbury Arose from Unsuccessful Iron Venture

"Early Days of the International Nickel Company," by E. A. Collins, which appears in the July Bulletin of the Canadian Institute of Mining & Metallurgy, is of great interest because Mr. Collins grew up from early childhood at Copper Cliff, the centre of the nickel operations, and he is now one of the company's chief executives.

We have all but forgotten, says Mr. Collins, in the course of his review, the band of pioneers who founded this world-famous industry. How much do the rising generation know about Frood, Stobie, Ranger, McVittie and the other prospectors who found the mines that now are doing so much to support our population? How many have heard of Ritchie, MacIntosh, Thompson, McArthur and Peters, without whose pertinacity and scientific genius the discoveries of mineral would have been in vain? Mr. Collins suggests that suitable memorials be inscribed and placed to mark the spots where these men made their discoveries and toiled over their furnaces.

Most Canadians will be surprised to hear from this article that the great nickel-copper industry at Sudbury had its origin in an unsuccessful iron venture in Central Ontario, north of Belleville.

Ontario Accountants Elect Officers for 1933-34

Fiftieth annual general meeting of the Institute of Chartered Accountants of Ontario was held in Toronto on June 23. The attendance was large, members from Ottawa, Kingston, Hamilton, London, Windsor, Toronto and other points being present.

Election of officers and council for the ensuing year resulted as follows: president, Lieut-Col. H. D. Lockhart Gordon; first vice-president, C. S. Eddis; second vice-president, A. G. Calder; secretary-treasurer, Kris A. Mapp; council: A. G. Calder, Gordon D. Campbell, Charles S. Eddis, H. Percy Edwards, J. F. Gibson, H. D. Lockhart Gordon; H. E. Guilfoyle; W. G. H. Jephcott; Kris A. Mapp; W. J. Saunders; A. B. Shepard; H. A. Shiach; J. W. Taylor; A. S. Tindale; George A. Welch. Representatives on the council of the Dominion Association of Chartered Accountants, H. E. Guilfoyle, C. S. Eddis, H. A. Shiach. Auditors, Loftus A. Allen, T. P. Geggie. Registrar, W. J. Valleau.

McINTYRE MINE REACHING 7,000 FT. BEFORE 1934 ENDS

Shareholders Told Premium Makes Gain in Return Per Ton

Winze being sunk below the 3,800 foot level of McIntyre Mine is now at 4,400 feet below the surface. R. J. Ennis, general manager, told shareholders at the annual meeting on June 28 that the objective of 7,000 feet should be reached before the end of 1934.

New ore has been found in the old workings, Mr. Ennis stated, and added that McIntyre has not taken advantage of the premium to draw on low grade ore but is still treating average grade coming from the stopes.

J. P. Bickell, president, said that the average yield in 1932 was down 29 cents per ton if figured at standard value for gold but up a cent if premium was included. Despite the treatment of lower grade ore, profit, after adding premium and deducting depreciation, etc., was up four cents a ton.

The company's outside properties include 240 acres adjoining Howey Gold in the Red Lake area; 120 acres at Birch Lake in the same area, where $10 ore has been located on surface and 24 claims in the Swayze area. At a tax sale the company recently acquired 120 acres north of Newray Mines and 120 acres north of the main property in the Porcupine camp. Neither of the two latter group, however, are contiguous to McIntyre.

Tailings

Sylvanite—At the annual meeting held on June 28 it was stated that the drift in the new vein on the 875-ft. level had advanced 40 feet in ore averaging better than $25 per ton. The drift continues in high grade ore. This vein will also be explored on the 750 and 1,000-ft. levels.

* * *

Lakeland Gold—The shaft on the company's Kirkland Lake property is down 750 feet on its way to 825 feet where another level will be established. A large tonnage of $8 to $10 ore is reported to have been opened up down to 750 feet.

* * *

Macassa Mines—October will see the proposed 200-ton mill of Macassa Mines in operation, according to a statement made by Robert A. Bryce at the annual meeting at Kirkland Lake on June 29. The company will not use the $125,000 cash, on hand for this purpose but will dispose of sufficient treasury stock to complete the mill and bring the mine into production.

* * *

Lee Gold Mines—J. J. Byrne, president Lee Gold Mines, states that word has been received from the property in the Swayze area, Greenlaw township, that opening up of the main vein for a distance of 350 feet shows widths of from 6 to 12 feet. Values reported are from $8 to $16 a ton in gold. One report spoke of nine feet running $17 in gold. Shaft sinking within a few months is now spoken of as a distinct possibility.

* * *

Kirkland Gold Belt Mines, following the reaching of the objective of the shaft at 500 feet, has had new electrical equipment installed and power turned on. With the new power available no time will be lost, it is reported, in exploring the new bottom horizon at 500 feet. Attention will also be given to the 250 and 375-ft. horizons where ore has been found. A good grade of ore is stated to have been found on the 125-ft. horizon where crosscutting occurred to the vein which was drifted on for 200 feet.

* * *

Oro Grande — Winnipeg advices state that directors of Oro Grande Development have decided to enlarge working forces at their property in the Bulldog Lake section of Manitoba, near San Antonio, in order to speed up construction work on the new 75-ton mill scheduled to come into operation in July, and to expedite underground development in preparation for milling. The additional men will practically double the previous staff. J. C. Houston, M.E., states ore assays have been as high as $60.

Swayze Allen Lake
Gold Syndicate
(Associated with Swayze Huycke Gold Syndicate)

Assays show values up to $55.20 per ton. Development under way. — Diamond drilling to start immediately.

Further information supplied upon request.

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DOM. ROYALTY FAILS TO EARN BOND INTEREST

Large Portion of Assets is in Prepaid Organization Expenses

Audited statement of Dominion Oil Royalty Corp. for the year ended July 31, 1932, and a supplementary statement for the six months ended January 31, show that the company failed to earn any of the interest on the $559,100 of 12 per cent first mortgage bonds outstanding and at the end of the latter period the company had a deficit of $164,829. Royalty income for the full fiscal year, plus interest and exchange, amounted to $44,989 and this was reduced to $9,972 in the first six months of the current fiscal year.

Income and surplus account for the two periods under review is as follows:

Income and Surplus Account

	12 mos. ended July 31, 1932 $	6 mos. ended Jan. 31, 1933 $
Royalty income	39,593	7,901
Interest & exchange	5,396	2,071
Gross income	44,989	9,972
Less: Oper. expend.	16,266	6,270
Net income	28,723	3,702
Less: Bond interest	67,092	33,546
Provision for:		
Deplet. on royalties..	10,900	......
Deprec. furniture ...	63	32
W/o disc. & comm. on bonds	11,477	5,739
W/o disc. & comm. on class A shares	397	199
Inc. exp. w/o	511	255
W/o value of acquisitions of syndicate..	14,913	7,456
Loss for year	76,632	43,525
Previous deficit	44,672	121,304
Deficit forward	121,304	164,829

At January 31, 1933, assets of the company totalled $577,485. Cash was $13,577 and investments totalled $358,692. In this total is included $10 for investment in shares of Dominion Royalties Inc.; $341,108 representing purchase price of oil royalties and leases which is subject to reserve of $42,427 for depletion, and a disputed interest of $60,000 in Franco-Dominion No. 1 well, Oklahoma City, now in litigation. Prepaid organization expenses total $204,740 composed of discount allowed and commissions paid in respect of bonds and preferred shares and the value placed on undertakings and agreements acquired from syndicate. Current liabilities of $68,092 consist chiefly of accrued interest on bonds amounting to $67,092 with accrued accounts payable at $1,000. In addition to mortgage indebtedness of $559,100 the company has outstanding 1,056,000 shares of class A stock of no par value carried at $115,200 and 2,500,000 shares of class B stock of no par value, "issued and fully paid," which are carried at $2.05.

West Goes in For Bees

Forty million bees were added to the population of honey foragers in the Province of Saskatchewan this spring, according to a report of the Saskatchewan Beekeepers' Association. This immigrant population from the United States represented 2,500 packages.

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BRUCK SILK MILLS BOOST WAGE SCALE AND TAKE ON MEN

Good Business Experienced and Prospects Look Promising

From Our Own Correspondent

MONTREAL.—Due to a substantial improvement in the company's business in recent months, Bruck Silk Mills has decided to make a voluntary increase of 12 per cent in weavers' wages about the middle of this month. In addition, 150 additional employees will be taken on, bringing the total working force up to 750, the largest number in the history of the company. The company also announces that a new weave room addition is being built to its plant at Cowansville and additional looms are being installed.

June is reported by the company to have been an excellent month. At present orders on hand are sufficient to keep the mill operating at full capacity for some time, while the balance of the company's current fiscal year appears promising.

The company also has benefitted from the advance in the price of silk and synthetic fibres, having accumulated a substantial inventory around the low prices prevailing last year.

In the fiscal year ended October 31, 1932, the company reported a net profit of $135,078 as compared with $111,036 in the previous year. After providing for bond interest, bond discount, depreciation and income tax, there was a balance of $28.25 as against $8,152 in 1931. Earnings on the common stock were equivalent to 28 cents a share compared with eight cents a share in the previous year.

For information on
Base Metal
Stocks
Phone, Call or Write to
J. E. GRASETT & CO.
Members
Standard Stock & Mining Exchange
302 Bay St. Toronto
Wa. 1633

"More Gold!"

Gold Bullion to the standard value of 47 million dollars, or 53 million dollars in Canadian Funds, was produced by the Mines of Ontario in 1932. This is a record annual output, being an increase of 4 Million Dollars in standard value over the output for 1931.

Ontario Gold Mines have paid dividends to the end of 1932 amounting to $135,104,303. Dividends for 1932 amounted to $16,015,018.

Ontario Department of Mines,
HON. CHARLES McCREA,
Minister of Mines

CANADIAN AIRWAYS LIMITED

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to the Mines

Many of Canada's recent mines have been developed in territory devoid of rail or road communication. Isolated from rail transport, they were brought into production with the aid of the aeroplane. The process continues. New mines are undergoing development. Each one is but a few hours at most from a Canadian Airways base. The location of these bases dotting Canada from coast to coast will assist in solving your air transport problems.

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